

***United States Court of Appeals
for the Second Circuit***



APPENDIX

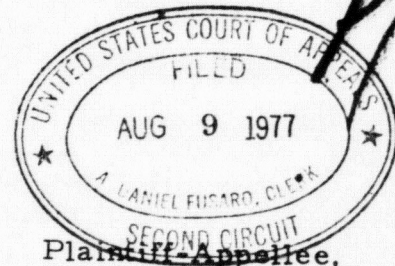
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77-6097

UNITED STATES COURT OF APPEALS

for the

SECOND CIRCUIT



SECURITIES AND EXCHANGE COMMISSION,

-against-

CANADIAN JAVELIN LIMITED,

Defendant-Petitioner-Appellant,

JOHN C. DOYLE,

Defendant,

WILLIAM M. WISMER,

Defendant-Respondent-Appellee.

ON APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

JOINT APPENDIX

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CERTIFIED COPY OF DOCKET ENTRIES
 14.5074 S.E.C. -v- CANADIAN JAVELIN LTD, et al

73 Civ. 5074

MAC MAHON, J.

Page #1

DATE	PROCEEDINGS	Date of Judgment
Nov. 29-73	Filed complaint & issued summons.	
Dec. 7-73	Filed affdvt and order for appointment to make service, of summons and complaint Norman Doucette, Christo Sampson and Robert Richardson and Richard A. MacGibbon. Clerk.	
Jan. 2-74	Filed stip and order extending time for deft. Canadian Javelin Limited to answer until 1-31-73. MacMAHON, J.	
Jan. 4-74	Filed stip and order extending time for defts. Doyle and Wismer to answer until 1-31-74. MacMAHON, J.	
Jan. 14-74	Filed plttf's notice to take deposition of John C. Doyle	
Jan. 31-74	Filed summons & affdvt. of service, served defts. 12-7-73-	
Jan. 31-74	Filed ANSWER of deft. Canadian Javelin Ltd.	DEFT
Feb. 4-74	Filed ANSWER of defts. John C. Doyle & William M. Wismer	MO
Feb. 8-74	Filed plttf's notice to take deposition	
Feb. 8-74	Filed plttf's 1st request for production of documents	
Mar. 1-74	Filed plttf's notice of motion to consolidate--ret. 3-11-74-(filed in 73 Civ. 3801)	
Mar. 11-74	Filed affdvt. of Neil D. Baron in opposition to motion to consolidate (filed in 73 Civ. 3801)	
Mar. 13-74	Filed deft's (Canadian Javelin) notice to take deposition of plttf. by Larry B. Grimes	
Mar. 16-74	Filed deft's (Canadian) 1st interrogs. and document requests	
Mar. 25-74	Filed affdvt. of W. Michael Drake in opposition to motion to consolidate-(filed in 73 Civ. 3801)	
Jul. 18-74	Filed Judgment of permanent injunction against (Canadian Javelin Ltd.) & stipulation & consent with respect thereto.....	
	MAC MAHON, J. Judgment Entered, 7-18-74. Clerk.	
Jul. 18-74	Filed Judgment & Order of permanent injunction against (John C. Doyle) & consent thereto.....MAC MAHON, J. Judgment Entered, 7-18-74.....Clerk.	
Jul. 18-74	Filed Stip & Order as to Wm. M. Wismer restraining said deft from dealing with securities of Canadian Javelin Ltd. etc. as more fully said forth in the stipulation.....MAC MAHON, J. m/n	
Jul. 24-74	Filed affdvt & notice of motion by Samuel H. Sloan, pro se to vacate order of 7-17-74.	
Aug. 1-74	Filed deft (Canadian Javelin's) affdvt in opposition to application of Samuel Sloan to vacate order of 7-17-74.	
Aug. 20-74	Filed affdvt in opposition to motion of Samuel Sloan by Moses Krislov, counsel for defts (Doyle & Wismer).	
Oct. 29-74	Filed Opinion #41373. The motion of Samuel H. Sloan to intervene under Rule 24, Fed. R. Civ. P., & to vacate the consent judgments entered 7-17-74 is denied, as are his applications for discovery of transcripts & depositions of (Doyle & Wismer) & certification of a controlling question of law.....	
	So Ordered, MAC MAHON, J. m/n	
Dec. 27-74	Filed notice of appeal from opinion & order of J. Mac Mahon, of 10-29-74, denying motion of Samuel H. Sloan. Copies sent to: S.E.C. 26 Federal Plaza, NYC 10007, Diamond & Golomb, 99 Park Ave., New York, N.Y., & Moses Krislov, Engineers Bldg., Cleveland, Ohio.	
Jan. 13-75	Filed defr (Javelin's) affirmation & Show Cause Order with a stay enjoining the S.E.C. from permitting the sales of Javelin shares pending the development of a program for orderly trading, etc. Ret. 1-24-75, Rm. 1305, at 2:15 P.M.MAC MAHON, J. (Service not rec'd to date)	
Jan. 16-75	Filed affdvt of service of Order to Show Cause with a Stay.	

Con't on Page #2

DATE	FILINGS—PROCEEDINGS	PLAINTIFF	DEFENDANT	RETURN
Jan. 17-75	Filed pliffs notice of motion to dissolve portion of order of 1-13-75, which stays proceedings re sale in U.S. of securities of Canadian Javelin. Ret. 1-21-75.			
Jan. 21-75	Filed Memo-End. on motion of 1-17-75. Motion withdrawn by Stip.....MAC MAHON, J. m/n			
Jan. 21-75	Filed Stip & Order re Order enjoining S.E.C. etc. as indicated, & parties agreeing such Order is no longer necessary, said Order is vacated forthwith & motion is withdrawn, without costs..... MAC MAHON, J.			
Jan. 30-75	Filed Memo-End. on proof of service dated 1-16-75. Motion within by Stip & Order of 1-21-75.....MAC MAHON, J. m/n			
Jan. 30-75	Filed Memo-End. on show cause order of 1-13-75. Motion within by Stip & Order of 1-21-75.....MAC MAHON, J. m/n			
Jan. 27-75	Filed notice that original record on appeal has been Certified & transmitted to the USCA.			
12-18-75	Filed pliffs affdvt & Show Cause Order to require deft to Appoint Counsel & to pay Counsel fees & expenses re Judgment of Permanent Injunction against Canadian Javelin by order of the Court dtdt 7-17-74. Ret. 12-19-75, Rm 1305, 2:15 P.M.			
12-18-75	Filed pliffs memo of points & authorities in support of motion for for an order to appoint counsel & to pay counsel's fees & expenses.			
12-19-75	Filed deft (Canadian J.) notice of motion to stay judgment & Order ent. 12-19-75, pending appeal. Time & date to be set by Court.			
12-19-75	<i>Motion granted. Submit Order. Decline to stay, so that appeal be taken.</i>			
12-19-75	Filed deft (Canadian Javelin's) Notice of Appeal to the USCA from the order of Judge MacMahon, entering certain orders to this deft on the 19th day of December, 1975. Copy sent to the S.E.C. 500 North Capitol St. Washington, D.C.			
12-19-75	Filed deft (Canadian J.) affdvt in opposition to pliffs motion re counsel fees & expenses.			
12-19-75	Filed deft (Canadian J) memo of points in opposition to motion.			
12-19-75	Filed pliffs memo of points & authorities in support of motion for an order to appoint counsel & pay counsel's fees & expenses.			
12-19-75	Filed Memo-End. on motion of 12-18-75. Motion granted following oral argument. See long form order of this date on the basis of the following Findings of Fact & Conclusions of Law.			

DATE	FILINGS—PROCEEDINGS	CLERK'S FEES		AMOUNT REPORTED IN EMOLUMENT RETURNS
		PLAINTIFF	DEFENDANT	
Con't	Smith has commenced an action in Ontario requesting Canadian Court to declare portions of our injunctive decree of 7-17-74 null & void & not binding on Canadian Javelin, its officers, etc. Our decree was entered on consent pf Canadian Javelin, & they must therefore defend the decree against collateral attack in the Canadian Court. Since we retained jurisdiction, it is essential to direct Canadian J. to appoint Eisenberg as i counsel to defend the decree & pay him reasonable fees & expenses. Eise was appointed special counsel by the Bd. of Dir. of Canadian J. & is uni qualified to defend the decree. The matter is urgent since the Canadian action will be fefore the Court on 12-22-75.....So Ordered, MAC MAHON,J			
12-19-75	Filed Order & Decree that Canadian Javelin appoint Meyer Eisenberg to appear & defend on behalf of Canadian J., & to protect the subjec matter of this case, & to retain Canadian counsel qualified to represent them in connection with Smith vs Canadian J., et al.. Canadian J. to pay fees & expenses in an amount to be fixd by thi court of Eisenberg & his counsel re the defense of the case pendi in the Supreme Court of Ontario. This Court to retain jurisdicti of this matter for all purposes.....MAC MAHON,J m/n			
	Judgment Entered, 12-23-75, Clerk			
12-29-75	Filed Memo-End. on motion of 12-19-75 for a stay. Treating the within motion as one for reargument of this Court's decision from the bench denying deft (Canadian's motion for a stay pending appeal from order of 12-19-75, the motion is granted, & upon reargument the Court adheres to its decision denying the stay. The granting of even a short stay would frustrate the Court's order directing (Canadian) to retain Mr. Eisenberg to defend (Canadian) in a suit brought in Canada for the purpose of undermining an earlier conse de ee of this Court.....So Ordered, MAC MAHON,J m/n			
-28-76	Filed notice that supplemental record on appeal has been Cerified & trans mitted to the USCA.			
2-2-76	✓ Filed True Copy of Order from the USCA that transcript o record submitted by appellant Sloan in absentia, is adjudged & decreed that the app of the order from the USDC is dismissed, & authorities there cited Clerk. m/n			
4-28-76	Filed True Copy of Order from USCA of Stip & Consent to disaissal of this appeal as mon			
	Con't on Page #4			

DATE

PROCEEDINGS

DATE	PROCEEDINGS
7-15-76	Filed plttffs affdvt. & Show Cause Order requiring deft to appoint Counsel & pay Counsel Fees & Expenses. Ret. 7-19-76.....MAC MAHON, J.
7-15-76	Filed plttffs memo of points & authorities in support of order to appoint counsel, etc.
7-20-76	Filed deft (Canadian Javelin) affdvt with consent to application.
7-21-76	Filed Memo-End. & Order on show cause order dtd 7-15-76. the within motion is granted on consent... So Ordered, MAC MAHON, J.
04-21-77	Filed affdvt. & show cause order on behalf of Deft., Canadian Javelin, Ltd. to punish W. Wisner, G. Rathwell, E. Shinniff, J. Rozzini, C.M. Wylie, H. Smith, and L. Tyne for contempt in failing to obey provisions of Final Judgt. dated 7/17/76. -- etc. -- Ret. -- 4/20/77 at 2:15 P.M. room C05-- MacMahon, J.
04-21-77	Filed Deft's. affdvt. of service of show cause order.
5-2-77	Filed Stip that the hearing on the motion by deft, Canadian Javelin is scheduled for 2:15 pm 5-6-77, respondents to serve papers in respose to motion before noon 5-3-77...MacMahon, J.
5-5-77	Filed respondents Affdvt. in opposition to motion of Canadian Javelin for an order respondents in contempt of court, etc..
5-5-77	Filed Repondent's memo of law in opposition to Canadian Javelin's contempt motion.
05-05-77	Filed affdvt. of Irving L. Golomb - Re: request to consider contempt motion withdrawn only insofar as it relates to John Rozzini.
05-05-77	Filed Reply Affdvt. of Irving L. Golomb in support of motion to hold several respondents in contempt.
5-13-77	Filed deft. Canadian's Affdvt. in reply to Securities and Exchange Commission
5-19-77	Filed Memo-End. on motion filed on 4-21-77... Motion denied forlack of standing. So Ordered..... MAC MAHON, J. m/m
5-20-77	Filed Pltff's memorandum of points and authorities.
5-23-77	Filed Pltff's memorandum of points and authorities.
6-6-77	Filed deft. Canadian Javelin Ltd. Notice of Appeal from Memo-End dtd: 5-19-77. Mailed Copies.

JUDGMENT OF PERMANENT INJUNCTION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

U.S. DISTRICT COURT
FILED

JULY 17, 1974
SDNY

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

- against -

CANADIAN JAVELIN LIMITED
JOHN C. DOYLE
WILLIAM M. WISMER

Defendants.

73 CIVIL 5074 LFM

JUDGMENT OF PERMANENT
INJUNCTION AGAINST
CANADIAN JAVELIN LIMITED
AND STIPULATION AND
CONSENT WITH RESPECT
THERE TO

Plaintiff Securities and Exchange Commission

("Commission"), having filed a Complaint for Injunction and ancillary relief in this matter and it appearing to the Court from the annexed Stipulation and Consent, which is attached hereto and made a part hereof, that the defendant Canadian Javelin Limited ("Javelin") has admitted, solely for the purposes of this action and enforcement of this Judgment, the jurisdiction of this Court over it and over the subject matter of this action; and, without admitting or denying the allegations of the Complaint, and solely for the purposes of this action, has consented to the entry of a Final Judgment of Permanent Injunction enjoining said defendant from engaging in acts and practices in connection with the offer, purchase and sale of securities which constitute and would constitute violations of Sections 5 and 17(a) of the Securities Act of 1933, 15 U.S.C. 77e and 15 U.S.C. 77q(a), and Sections 10(b) and 13(a) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b) and 15 U.S.C. 78m(a), and Rule 10b-5, 17 CFR 240.10b-5, Rule 12b-20, 17 CFR 240.12b-20, Rule 13a-1, 17 CFR 240.13a-1, and Rule 13a-13, 17 CFR 240.13a-13, promulgated thereunder, and that plaintiff

Commission and Javelin have waived entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure; and it further appearing therefore that this Court has jurisdiction over this defendant and over the subject matter of this action; the Court being fully advised in the premises and there being no just reason for any delay in the entry of this Judgment, it is hereby

I.

ORDERED, ADJUDGED AND DECREED that defendant Javelin, its officers, agents, servants, employees, directors, and those persons in active concert and participation with it, are permanently enjoined and restrained from directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or of any facility of a national securities exchange

A. Obtaining money or property by making, or making, materially false and misleading statements or omitting to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, concerning but not limited to:

- (1) the financial condition of Javelin, its subsidiaries or affiliates;
- (2) Javelin's right, capacity and ability to exploit any mineral discovery;
- (3) any feasibility study related to Javelin's various business activities;
- (4) the granting of mineral concessions to Javelin, its subsidiaries, or affiliates;

(5) the present and potential impact of legislation or governmental acts affecting Javelin's business activities;

(6) discussions with others to arrange for financing of Javelin's various projects;

(7) discussions with others to arrange for the sale of the products of Javelin's various projects;

(8) the terms, conditions and timeliness of Javelin's contracts or letters of intent;

(9) the anticipated time needed before production on Javelin's various activities can be meaningfully commenced;

(10) the size of Javelin's various projects and developments;

(11) the profitability of Javelin's various enterprises;

(12) the requisite financing needed and available for any project or activity;

(13) the business operations or capabilities of Javelin, its subsidiaries, or affiliates; and

(14) other items of similar purport and object;

B. Employing any device, scheme or artifice to defraud,

C. Engaging in any act, practice or course of business which operates or would operate as a fraud and deceit upon any person,

in connection with the offer, purchase, or sale of securities of Javelin, its subsidiaries or affiliates in violation of Section 17(a) of the Securities Act of 1933, 15 U.S.C. 77(a)

and Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b), and Rule 10b-5, 17 CFR 240.10b-5 promulgated thereunder.

II.

ORDERED, ADJUDGED AND DECREED that defendant Javelin, its officers, agents, servants, employees, directors, and those persons in active concert and participation with it, permanently enjoined and restrained from directly or indirectly, by making use of the mails or the means and instruments of transportation and communication in interstate commerce, in the absence of applicable statutory exemptions;

(a) selling the securities of Javelin or any of its subsidiaries or affiliates through the use or medium of any prospectus or otherwise; or carrying or causing to be carried any security of Javelin or any of its subsidiaries or affiliates for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission with respect to such securities; and

(b) offering to sell the securities of Javelin or any of its subsidiaries or affiliates through the use or medium of any prospectus or otherwise unless and until a registration statement has been filed with the Commission with respect to such securities,
in violation of Section 5 of the Securities Act of 1933, 15 U.S.C. 77e.

III.

ORDERED, ADJUDGED AND DECREED that defendant Javelin, its officers, agents, servants, employees, directors, and those

persons in active concert and participation with it, are permanently enjoined and restrained from directly or indirectly filing materially false and misleading annual and other periodic reports required to be filed with plaintiff Commission pursuant to Sections 13(a) and (b) and 15(d) of the Exchange Act.

IT IS FURTHER ORDERED that defendant Javelin, within 60 days of the date of this Order or at such other time as the plaintiff Commission may by order allow, will

(1) make all required filings with the Commission not heretofore made;

(2) make any amendments and supplements to its present filings with the Commission as required by law; and

(3) disseminate to all shareholders such information as is necessary to bring to their attention corrections, amendments or supplements provided for in (2) above and shall advise them fully concerning the present status of the affairs of the company.

IV.

IT IS FURTHER ORDERED that:

1. The Board of Directors by causing Javelin to enter into this Judgment shall be fully and continuously responsible for carrying it out.

2. Javelin will be subject to the continuing jurisdiction of the Court with respect to this Judgment.

3. The management of Javelin shall propose directors, vote their shares, and shall solicit proxies for the election of directors, at least 40 percent of whom shall consist of outside independent directors who shall meet the following criteria to

the satisfaction of the Commission:

- (a) persons of integrity;
- (b) persons not employed by Javelin or any of its subsidiaries or affiliates;
- (c) persons not under the control of Javelin or any of its subsidiaries or affiliates in consequence of any significant business interest;
- (d) persons who are not presently officers of Javelin;
- (e) persons not presently controlled by those owning the controlling voting interest in Javelin.

4. Javelin, its officers and directors, by action of the Board of Directors, shall designate and at all times maintain an agent in the United States authorized to accept service of civil or administrative process relating to the activities of Javelin, its subsidiaries and affiliates, served by or on behalf of the Commission including subpoenas and complaint. Javelin shall at all times advise the Commission of the name and address of such agent. Anyone so served shall retain any defenses he or it may have under the law to such action, except lack of proper service.

5. All dissemination of information by Javelin or any of its subsidiaries to the public whether by means of press releases, reports, letters to shareholders, filings with regulatory agencies, press conferences, meetings with security analysts, or otherwise shall be made only through a public information officer of Javelin designated within thirty days of this Judgment for such purpose. No other officer or employee of Javelin shall engage in any such dissemination of information.

6. Javelin shall establish within thirty days of this Judgment a standing compliance committee. A majority of the standing committee shall consist of independent Board members meeting the requirements of paragraph 3 of this Judgment. The

public information officer shall be a member of this committee. The standing committee shall pass on all information to be disseminated to the public. Such committee will be fully responsible at all times to the full Board of Directors.

7. Javelin shall name a special independent outside counsel (hereinafter "Special Counsel") to the standing committee, which Special Counsel shall be satisfactory to the Commission. Special Counsel shall review the dissemination of all information to the public by Javelin or any of its subsidiaries, its officers and directors, and shall be authorized to take all reasonable steps to secure Javelin's compliance with the U. S. securities laws and shall make such inquiries as he deems necessary to see to it that this Judgment is being carried out. Special Counsel shall have no business or professional relationship with Javelin other than the performance of the functions set forth herein. Special Counsel shall notify the Commission and Javelin's Board of Directors in any respect in which he believes the Judgment is not being carried out and advise the Board as to the steps necessary to cure such failure.

8. Javelin shall instruct its general counsel to make himself available to the Special Counsel to the committee or to the Commission staff.

9. Javelin shall provide that Special Counsel to the Committee shall have complete access to all directors, officers, employees of Javelin, to members of the committee, and to all relevant papers and records of the Company so as to enable him to carry out his function.

10. In the event Special Counsel is denied access to documents, Javelin personnel or any other material information, he shall notify the Board of Directors and the Commission.

11. In the event that the Commission brings suit in the United States, or otherwise initiates any action to enforce compliance with this Judgment, Special Counsel shall (a) make a demand on the company's Board of Directors to take, in Canada, whatever steps they deem appropriate under Canadian law to enforce compliance with such Judgment, (b) bring the matter to the attention of the authorities in Canada having jurisdiction for such action as may be appropriate and warranted under the circumstances.

12. Subject to the terms of paragraph 5, Javelin shall provide that neither John C. Doyle nor anyone else shall have responsibility or the right to disseminate information to the public on behalf of Javelin except upon the express request and prior approval of the compliance committee and Special Counsel.

13. If the Special Counsel refuses to carry out his function under the terms of this Judgment, or resigns, or is discharged or for any reason whatsoever ceases being Special Counsel, then Javelin shall appoint within a prompt and reasonable time another Special Counsel satisfactory to the Commission. If Javelin shall not have proceeded with reasonable diligence in the selection of a new Special Counsel when required, the Commission may move the Court for appropriate action. Special Counsel shall not be discharged except on notice in writing to the Commission stating the reasons for such discharge prior to the discharge of the Special Counsel.

14. Where disclosures outside the United States by Javelin, its subsidiaries, affiliates or representatives are required by the laws of Canada or of any other country or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction, Special Counsel to the committee

shall take such laws, rules or regulations into account in any review he may conduct.

15. The Commission may at any time apply to the Court for appropriate relief to enforce the terms of this Judgment.

16. This Judgment shall not be construed to limit the Commission's authority otherwise to enforce compliance with the securities laws of the United States.

Dated: New York, New York
July 17, 1974

s/ Lloyd F. McMahon
United States District Judge

JUDGMENT ENTERED

2/
Clerk

CONSENT BY CANADIAN JAVELIN LIMITED

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

- against -

CANADIAN JAVELIN LIMITED
JOHN C. DOYLE
WILLIAM M. WISMER

Defendants.

73 CIVIL 74

CONSENT

The defendant, Canadian Javelin Limited ("Javelin"),
hereby consents and agrees as follows:

I.

The defendant, Javelin, for purposes of this action
only and the enforcement of this Judgment enters a general
appearance, acknowledges receipt of the Complaint filed herein
and admits the jurisdiction of this Court over it and over
the subject matter of this action.

II.

The defendant, Javelin, consents that this Court,
forthwith and without further notice, may enter the foregoing
attached Judgment of Permanent Injunction enjoining it from
engaging in acts and practices in connection with the offer,
purchase and sale of securities which constitute or would
constitute violations of Sections 5 and 17(a) of the Securities
Act of 1933, 15 U.S.C. 77e and 77q(a), Sections 10(b) and 13(a)
of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b) and

78m(a), and Rules 10b-5, 12b-20, 13a-1 and 13a-13, 17 CFR 240.10b-5, 17 CFR 240.12b-20, 17 CFR 240.13a-1 and 17 CFR 240.13a-13, promulgated thereunder.

III.

The defendant, Javelin, in consenting to the entry of the foregoing attached Judgment of Permanent Injunction, does so without admitting or denying any of the allegations made by the plaintiff Securities and Exchange Commission in its complaint.

IV.

The defendant, Javelin, waives entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure.

V.

The defendant, Javelin, states that no tender, offer, promise or threat of any kind whatsoever has been made by the plaintiff Securities and Exchange Commission, or any member, officer, agent or representative thereof in consideration for this Consent.

Dated: *July 25th, 1974*

CANADIAN JAVELIN LIMITED

Per Javelin

via Javelin and Javelin Public

SWORN TO at MONTREAL, on this 29th day of MAY, 1974

Gerard Ducharme

Gerard Ducharme
Notary Public

CERTIFICATE OF RESOLUTION

I, P.J. DE SANTIS, Secretary of CANADIAN JAVELIN LIMITED, a Canadian corporation, hereby certify that the resolution attached hereto is a true and complete copy of a resolution adopted by the Board of Directors of Canadian Javelin Limited at a meeting duly held on MAY 29TH 1974 at which a quorum was present and acting throughout and that said resolution has not in any way been rescinded or modified and is in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have signed the Certificate as Secretary of the corporation and affixed the seal of the corporation on this 29TH day of MAY, 1974.

P.J. De Santis
Secretary

SWORN TO at MONTREAL, on this 29th day of MAY, 1974

Gerard Ducharme
Notary Public

RESOLVED, that P. J. De Santos, Secretary of CANADIAN JAVELIN LIMITED, a Canadian corporation, be and he hereby is authorized and directed on behalf of CANADIAN JAVELIN LIMITED to consent to the entry of a Judgment of a Permanent Injunction in substantially the form annexed hereto in an action brought by the United States SECURITIES AND EXCHANGE COMMISSION, which Complaint alleges that CANADIAN JAVELIN LIMITED violated Sections 5 and 17(a) of the Securities Act of 1933, 15 U.S.C. 77e and 15 U.S.C. 77c(a), and Sections 10(b) and 13(a) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b) and 15 U.S.C. 78m(a), and Rules 10b-5, 17 CFR 240.10b-5 and 12b-20, 17 CFR 240.12b-20, 13a-1, 17 CFR 240.13a-1, and 13a-13, 17 CFR 240.13a-13 promulgated thereunder;

FURTHER RESOLVED, that the Secretary of CANADIAN JAVELIN LIMITED, a Canadian corporation, be and hereby is authorized and directed on behalf of CANADIAN JAVELIN LIMITED to designate an agent in the United States, who shall be authorized to accept service of civil or administrative process relating to the activities of the company, its subsidiaries and affiliates served by or on behalf of the SECURITIES AND EXCHANGE COMMISSION of the United States, including subpoenas and complaints;

FURTHER RESOLVED, that the provisions of ordering paragraph IV, subparagraphs 3 through 5 of the Judgment of Permanent Injunction Against Canadian Javelin Limited and Stipulation and Consent With Respect Thereto shall be complied with by the management upon the aforesaid Judgment becoming effective.

B. J. De Santos

Secretary

CANADIAN JAVELIN LIMITED

DATED: May 28th 1974

SWORN TO at MONTREAL, on this 29th day of MAY, 1974

G. Ducharme

Gérard Ducharme
Notary Public

CONSENT BY JOHN C. DOYLE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION	:	
	:	73 CIVIL 5074
Plaintiff,	:	
	:	
- against -	:	
	:	
CANADIAN JAVELIN LIMITED	:	
JOHN C. DOYLE	:	
WILLIAM M. WISMER	:	
	:	
Defendants.	:	

CONSENT

The defendant, John C. Doyle ("Doyle"), hereby
consents and agrees as follows:

I.

The defendant, Doyle, for purposes of this action
only and the enforcement of this Judgment enters a general
appearance, acknowledges receipt of the Complaint filed herein
and admits the jurisdiction of this Court over him and over
the subject matter of this action.

II.

The defendant, Doyle, consents that this Court,
forthwith and without further notice, may enter the foregoing
attached Judgment of Permanent Injunction enjoining him from
engaging in acts and practices in connection with the offer,
purchase and sale of securities which constitute or would
constitute violations of Sections 5 and 17(a) of the Securities
Act of 1933, 15 U.S.C. 77e and 77q(a), Sections 10(b) and 13(a)
of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b) and
78m(a), and Rules 10b-5, 12b-20, 13a-1 and 13a-13, 17 CFR 240.10b-5,
17 CFR 240.12b-20, 17 CFR 240.13a-1 and 17 CFR 240.13a-13,
promulgated thereunder.

III.

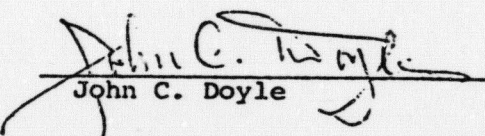
The defendant, Doyle, in consenting to the entry of the foregoing attached Judgment of Permanent Injunction, does so without admitting or denying any of the allegations made by the plaintiff Securities and Exchange Commission in its complaint.

IV.

The defendant, Doyle, waives entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure.

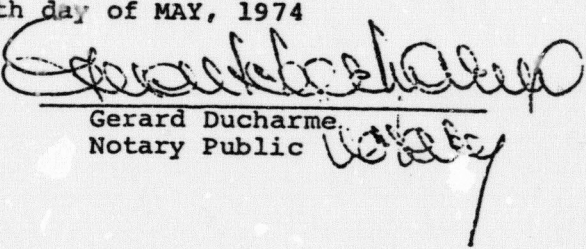
V.

The defendant, Doyle, states that no tender, offer, promise of threat of any kind whatsoever has been made by the plaintiff Securities and Exchange Commission, or any member, officer, agent or representative thereof in consideration for this Consent.


John C. Doyle

SWORN TO at MONTREAL, on this 29th day of MAY, 1974

Dated: May 29 1974


Gerard Ducharme
Notary Public

STIPULATION AS TO WILLIAM M. WISMER
 UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

- against -

CANADIAN JAVELIN LIMITED

JOHN C. DOYLE

WILLIAM M. WISMER

Defendants.

: 73 CIVIL 5074
 :
 : STIPULATION AS TO
 : WILLIAM M. WISMER
 :
 :
 :
 :
 :

William M. Wismer (hereinafter "Wismer"), having acknowledged receipt of the Complaint and of the Judgment of Permanent Injunction Against Canadian Javelin Limited and Stipulation and Consent With Respect Thereto, hereby stipulates and agrees subject to the contempt powers of this Court as follows, without admitting or denying the allegations of the Complaint filed against him by the United States Securities and Exchange Commission in this action:

I.

Wismer, solely for purposes of this action and the enforcement of this Stipulation, enters a general appearance, acknowledges receipt of the Complaint filed herein and admits the jurisdiction of this Court over him and over the subject matter of this action.

II.

Wismer shall not, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of a national securities exchange

A. Obtain money or property by making, or making materially false and misleading statements or omitting to

state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, concerning but not limited to:

(1) the financial condition of Canadian Javelin Limited ("Javelin"), its subsidiaries or affiliates;

(2) Javelin's right, capacity and ability to exploit any mineral discovery;

(3) any feasibility study related to Javelin's various business activities;

(4) the granting of mineral concessions to Javelin, its subsidiaries or affiliates;

(5) the present and potential impact of legislation or governmental acts affecting Javelin's business activities;

(6) the status of discussions with others to arrange for financing of Javelin's various projects;

(7) the status of discussions with others to arrange for the sale of the products of Javelin's various projects;

(8) the terms, conditions and timeliness of Javelin's contracts or letters of intent;

(9) the anticipated time needed before production of Javelin's various activities can be meaningfully commenced;

(10) the size of Javelin's various projects and developments;

(11) the profitability of Javelin's various enterprises;

(12) the requisite financing needed and available for any project or activity of Javelin;

(13) the business operations or capabilities of Javelin, its subsidiaries or affiliates; and

(14) other items of similar purport and object;

B. Employ any device, scheme or artifice to defraud;

C. Engage in any act, practice or course of business which operates or would operate as a fraud and deceit upon any person,

in connection with the offer, purchase or sale of securities of Javelin, its subsidiaries or affiliates in violation of Section 17(a) of the Securities Act of 1933, 15 U.S.C. 77q(a) and Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b), and Rule 10b-5, 17 CFR 240.10b-5 promulgated thereunder.

III.

Wisner shall not, directly or indirectly, by making use of the mails or the means and instruments of transportation and communication in interstate commerce, in the absence of applicable statutory exemptions;

(a) sell the securities of Javelin or any of its subsidiaries or affiliates through the use or medium of any prospectus or otherwise; or carry or cause to be carried any security of Javelin or any of its subsidiaries or affiliates for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission with respect to such securities; and

(b) offer to sell the securities of Javelin or any of its subsidiaries or affiliates through the use or medium of any prospectus or otherwise unless and until

a registration statement has been filed with the Commission with respect to such securities, in violation of Section 5 of the Securities Act of 1933, 15 U.S.C. 77e.

IV.

Wismer shall not, directly or indirectly, file materially false and misleading annual and other periodic reports required to be filed with plaintiff Commission pursuant to Sections 13(a) and (b) and 15(d) of the Exchange Act relating to the securities of Javelin or any of its subsidiaries or affiliates.

V.

Wismer shall not engage in the dissemination of information to the public without the specific prior approval and at the direction of Javelin's standing compliance committee and the Special Counsel to said committee (all as described in Item IV of the Judgment of Permanent Injunction Against Canadian Javelin Limited and Stipulation and Consent With Respect Thereto entered into this date) and he shall fully cooperate with and inform the compliance committee of the Board of Directors and its Special Counsel and shall make available to the committee all material information available to him as soon as reasonably possible; and he shall report to the Commission on a periodic basis all of his transactions in the securities of Javelin or any of its subsidiaries.

VI.

Wismer states that no tender, offer, promise or threat of any kind whatsoever has been made by the plaintiff

Securities and Exchange Commission, or any members, officer, agent or representative thereof in consideration for this Stipulation.

VIII.

This Court shall retain jurisdiction over this matter for the sole purpose of enforcement of the terms and conditions of this Stipulation and that in all other respects this proceeding as against Wismer is terminated with prejudice.

STIPULATED AND AGREED:

William M. Wismer
William M. Wismer

DATED: June 17th, 1974

SWORN TO at TORONTO, on this 17 th day of JUNE , 1974

SO ORDERED:

William J. Lipinski
Notary Public

United States District Judge

ORDER TO SHOW CAUSE TO ADJUDGE IN CONTEMPT
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

:
73 Civ 5074
LFM

-against-

CANADIAN JAVELIN LIMITED
JOHN C. DOYLE
WILLIAM M. WISMER,

Defendants.

: ORDER TO SHOW
CAUSE

TO
ADJUDGE IN
CONTEMPT

-----X

Upon the annexed motion and the affidavit of IRVING L. GOLOMB, as attorney for and on behalf of defendant Canadian Javelin Limited, and the exhibits thereto attached, and upon all the proceedings had herein, and upon the Judgment of Permanent Injunction, dated July 17, 1974, and the Stipulation dated June 17, 1974 executed by William M. Wismer, consenting and stipulating not to engage in the dissemination of information to the public without the specific prior approval and direction of the Standing Compliance Committee of defendant Canadian Javelin Limited and Special Counsel to said Committee, all as described in item IV of the aforesaid Judgment of Permanent Injunction, it is

ORDERED, that defendant William M. Wismer, and George R. Bothwell, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre show cause at a Motion Term of this court, to be held in Room 905, United States Courthouse, Foley Square, New York, at 2:15 P.M. on the 29th day of April, 1977, or as soon thereafter as counsel can be HEARD, WHY PURSUANT TO LOCAL CIVIL RULE 14 OF THIS COURT,

~~and by~~ the said William M. Wismer, George R. Bothwell, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre should not be punished for contempt of court because of misconduct in failing to obey, comply with and carry out the provisions of the said Final Judgment dated July 17, 1974 which directed that dissemination of information by defendant Canadian Javelin Limited, or any of its subsidiaries, to the public, shall be made only through a public information officer of Javelin designated for that purpose, and which further directed that the dissemination of all information to the public by Canadian Javelin Limited, or any of its subsidiaries, be reviewed by Special Counsel named by Canadian Javelin Limited to act as such in relation to the said Standing Committee of Canadian Javelin Limited. *IT IS FURTHER*

ORDERED THAT
PERSONAL Service of a copy of this Order to Show Cause, together with the papers upon which it is based, upon Martin Ozer, Esq., of 475 Fifth Avenue, New York City, N. Y., attorney of record for defendants William M. Wismer and John C. Doyle, and by mail upon William M. Wismer and John C. Doyle, at the addresses recited in the moving affidavit, and upon the Securities and Exchange Commission, personally, on or before the 18th day of April

1977, be deemed good and sufficient service. *AND FURTHER*
ORDERED THAT
PERSONAL Service of a copy of this Order to Show Cause, together with the papers upon which it is based upon George R. Bothwell, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre, on or before the 18th day of April 1977, be deemed sufficient.

Dated: New York, N. Y. MARCH 31ST 1977.

David L. [Signature]
 UNITED STATES DISTRICT JUDGE

EA

AFFIDAVIT OF IRVING L. GOLOMB, ESQ., FOR DEFEND-
ANT CANADIAN JAVELIN LIMITED, IN SUPPORT OF MOTION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff, : 73 Civ 5074
LFM

-against-

CANADIAN JAVELIN LIMITED : AFFIDAVIT
JOHN C. DOYLE
WILLIAM M. WISMER,

Defendants..

-----X

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

IRVING L. GOLOMB, being duly sworn, deposes and says:

1. I am a member of the law firm of DIAMOND & GOLOMB,
P.C., attorneys for defendant Canadian Javelin Limited.

2. I am familiar with the facts herein set forth.

3. I have been authorized and directed by defendant
Canadian Javelin Limited to make this affidavit and to bring
the within contempt proceeding on its behalf in order to en-
force the Judgment dated July 17, 1974 made herein by United
States District Judge Lloyd F. McMahon (Exhibit I), and to re-
dress the violation of that Judgment by defendant William M.
Wisner and by George R. Bothwell, Frank C. Shirriff, John A.
Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre,
acting with him.

4. The aforesaid Judgment provides in paragraphs V, VI
and VII:

"All dissemination of information by Javelin or any of its subsidiaries to the public whether by means of press releases, reports, letters to shareholders, filing with regulatory agencies, press conferences, meetings with security analysts, or otherwise, shall be made only through a public information officer of Javelin designated within thirty days of this Judgment for such purpose. No other officer or employee of Javelin shall engage in such dissemination of information.

"Javelin shall establish within thirty days of this Judgment a standing compliance committee. A majority of the standing committee shall consist of independent Board members meeting the requirements of paragraph 3 of this Judgment. The public information officer shall be a member of this committee. The standing committee shall pass on all information to be disseminated to the public. Such committee will be fully responsible at all times to the full Board of Directors.

"Javelin shall name a special independent outside counsel (hereinafter "Special Counsel") to the standing committee, which Special Counsel shall be satisfactory to the Commission. Special Counsel shall review the dissemination of all information to the public by Javelin or any of its subsidiaries, its officers and directors, and shall be authorized to take all reasonable steps to secure Javelin's compliance with the U. S. securities laws and shall make such inquiries as he deems necessary to see to it that this Judgment is being carried out. Special Counsel shall have no business or professional relationship with Javelin other than the performance of the functions set forth herein. Special Counsel shall notify the Commission and Javelin's Board of Directors in any respect in which he believes the Judgment is not being carried out and advise the Board as to the steps necessary to cure such failure".

5. Defendant, William M. Wismer, by Stipulation dated June 17, 1974, filed herein, Exhibit II, agreed by paragraph IV thereof as follows:

"Wismer shall not, directly or indirectly, file materially false and misleading annual and other periodic reports required to be filed with plaintiff Commission pursuant to Sections 13 (a) and (b) and 15 (d) of the Exchange Act relating to the securities of Javelin or any of its subsidiaries or affiliates".

6. He further agreed, by paragraph V of the Stipulation as follows:

"Wisner shall not engage in the dissemination of information to the public without the specific prior approval and at the direction of Javelin's standing compliance committee and the Special Counsel to said committee (all as described in Item IV of the Judgment of Permanent Injunction Against Canadian Javelin Limited and Stipulation and Consent With Respect Thereto entered into this date) and he shall fully cooperate with and inform the compliance committee of the Board of Directors and its Special Counsel and shall make available to the committee all material information available to him as soon as reasonably possible; and he shall report to the Commission on a periodic basis all of his transactions in the securities of Javelin or any of its subsidiaries".

7. As appears from the information circular (Exhibit V) distributed by defendant Wisner on behalf of himself and Messrs. Bothwell, Shirriff, Rozzini, Wylie, Smith and Ayre, hereinafter referred to in paragraph "8" and "9", defendant Canadian Javelin Limited owned 2,507,084 shares of the stock of a company known as Bison Petroleum and Minerals Limited and CJV Holdings Limited, a wholly owned subsidiary of Canadian Javelin Limited, owned 80,200 shares. Bison Petroleum and Minerals Limited then had issued and outstanding 4,223,713 shares. This constituted 61.2% of the outstanding shares of Bison. Bison Petroleum and Minerals Limited was therefore a subsidiary of defendant Canadian Javelin Limited within the meaning of Section 6A of the Securities Act. This share position of Canadian Javelin Limited in Bison Petroleum and Minerals Limited was the same at the time of the entry of the aforesaid Consent Judgment and the execution of the Wisner Stipulation.

8. On or about February 21, 1977, under the signature of defendant William M. Wisner, a letter bearing that date was sent to the shareholders of Bison Petroleum and Minerals Limited, as appears from Exhibit III hereto attached and made a part hereof. Together with said letter, were sent a Notice of Special

General Meeting of Shareholders of Bison Petroleum and Minerals Limited and an information circular (Exhibits IV and V) and proxy (Ex. Va). The Notice of Special General Meeting of Shareholders bears the signature of defendant William M. Wismer.

9. That the aforesaid letter dated February 21, 1977, together with the Notice of Special General Meeting and information circular were sent from Canada into the United States to shareholders of Bison in this country, is evidenced by Exhibit VI, an envelope addressed to one Joseph D. Rosenthal at Tampa, Florida, bearing the return address, Suite 600, 250 University Avenue, Toronto, Canada M5H 3E7. — Mr. Rosenthal is a shareholder in Bison — who has forwarded to us the aforesaid envelope and contents.

10. I am advised by Norman Olson, whom I know to be the public information officer of defendant Canadian Javelin Limited, that the aforesaid letter dated February 21, 1977, Notice of Special General Meeting of Shareholders and information circular were not submitted to him or disseminated or circulated through him or the Standing Compliance Committee of defendant Canadian Javelin Limited.

11. By letter (Exhibit VII) sent by Norman Olson on behalf of the Compliance Committee of defendant Canadian Javelin Limited via telecopier machine on February 28, 1977 to Meyer Eisenberg, Special Counsel named by defendant Canadian Javelin Limited pursuant to the provisions of paragraph VII of the Judgment, he confirmed his position that the dissemination of this material by the Wismer group was without submission to the Compliance Committee for prior approval and was not sent at the

direction of the Committee and was in violation of the Consent Judgment as well as materially misleading. .

12. Attached hereto marked Exhibit VIII is a copy of a letter sent by Norman Olson of the Compliance Committee of defendant Canadian Javelin Limited to Meyer Eisenberg dated March 3, 1977, by which Mr. Olson expanded upon his February 28, 1977 letter to Special Counsel Meyer Eisenberg and requested him to take appropriate steps to insure compliance with the Consent Judgment and the United States Securities law in order to protect the stockholders of Canadian Javelin Limited and Bison Petroleum and Minerals Limited.

13. Attached hereto marked Exhibit IX is a copy of a letter dated March 8, 1977 received by Norman Olson from Leonard J. Rubin, an attorney associated with Meyer Eisenberg.

14. The aforesaid communications express the position that the aforesaid distributions of material were in violation of the Injunction; that Mr. Wismer was the President of Canadian Javelin Limited at the time of the making of the Judgment, and that his solicitation to the shareholders of Bison makes numerous allegations concerning Javelin, with the aim of attempting to deprive Javelin of its voting control of Bison; that the solicitation fails to disclose that, during a period of years over which the the Wismer solicitation claims that Javelin was responsible for losses sustained by Bison, he was himself the President of Javelin and a Director, and that he, Wismer, consented to the entry of Judgment against him, and that his solicitation itself

violates the Consent Injunction as well as implying that Javelin's consent to SEC injunctions constituted admissions of wrong-doing, contrary to the facts.

15. The responsive letter of March 8, 1977 by Leonard J. Rubin (Exhibit IX) advises Mr. Olson that he telephoned Mr. Wismer to request an explanation; that Mr. Wismer was not available; that this telephone call was returned by a Mr. Starr, who said he was Bison's attorney, who was extremely reluctant to give any information and who stated that, if requested in writing to give a full explanation, he would respond in writing, but would give nothing more than he already stated, which was nothing, according to Mr. Rubin. The latter further stated in his letter of March 8th that, without expressing any opinion on the substance of the materials, since it was mailed to shareholders without the consent of the Compliance Committee and the advice of Special Counsel, and none was given, Wismer appears to have violated the terms of the Consent Judgment.

16. Mr. Rubin's letter further states his position that the only remedy available to Special Counsel, according to guidelines prepared by such counsel for use by the Compliance Committee, is to advise the Board of Directors of Javelin of the default and request that it be cured, but that while Special Counsel could not yet report the violation of the SEC, there was nothing to prevent the Compliance Committee from reporting it directly to the SEC on its own.

17. Accordingly, on March 17, 1977, by letter dated that day (Exhibit X), defendant Canadian Javelin Limited notified the Securities and Exchange Commission of this situation, enclosing the two letters from Mr. Olson, and Mr. Rubin's response.

The March 17th letter was forwarded with the request

for appropriate enforcement action, including but not limited to, contempt proceedings against Mr. Wismer and his group.

18. Upon information and belief, the Securities and Exchange Commission has taken no public action with respect to this matter and no response has been received from it to the March 17th letter.

19. Defendant Canadian Javelin Limited, through Norman Olson, its public information officer, made an effort on March 6, 1977 to prevent Messrs. Wismer, Shirriff, Ayre, Rozzini, Smith, Wylie and Bothwell from releasing to shareholders of Bison publicity as to a certain transaction between Bison and an affiliate, Dominion Jubilee, and demanded that all information with respect thereto be furnished to the Compliance Committee of Canadian Javelin Limited, and, further, that no information be disseminated except through the Compliance Committee, as required by the Consent Judgment. A copy of the March 6, 1977 telegram confirmation, sent by CMCP Telecommunications, with a copy to Special Counsel, (Lawler, Kent & Eisenberg) is marked Exhibit XI.

20. In consequence of the holding of the shareholders meeting of Bison Petroleum and Minerals Limited on March 16, 1977, as called for by the aforesaid solicitation, defendant Wismer and his group have purported to seize control of Bison and to effectively deprive Javelin of such control, and have further purported to elect as Directors, Messrs. Wismer, Bothwell, Shirriff, Rozzini, Wylie, Smith and Ayre. This is reflected in Exhibit XII, a report in the Toronto Star, Thursday, March 17, 1977. That report further discloses statements by the Wismer forces to shareholders, carried in the press 11 days after

the March 6th notice (Exhibit XI) in violation thereof. It indicates that the information circular submitted by the Wismer group contained no reference to the issuance of 3,276,287 Bison shares before the shareholders meeting and that it was therefore "substantially untrue". Finally, it discloses that Messrs. Wismer and several Directors of Bison had been convicted of contempt of court and fined recently in Quebec in connection with a 1976 Javelin meeting.

21. The loss of control of Bison constitutes the loss of a valuable asset of Canadian Javelin Limited since Bison is active in petroleum drilling and exploration and has substantial investments which, on the consolidated balance sheet of Bison and its subsidiaries (Exhibit XIII) for 1975, shows \$2,671,551.00.

22. As to the members of the Wismer group, other than Wismer, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre have formerly been Directors of Canadian Javelin Limited and must therefore be presumed to be familiar with the existence of the Judgment of Injunction and the practices of Canadian Javelin Limited in connection with compliance therewith. The 1973 Annual Report of Canadian Javelin Limited shows, at page 14 (Exhibit XIV) in its list of Directors, among others, Anthony G. Ayre, John A. Rozzini, Frank C. Shirriff and William M. Wismer. The Annual Report for 1974 for Canadian Javelin Limited, shows, at page 16 (Exhibit XV) that Messrs. Ayre, Rozzini, Shirriff and Wismer continued and that Harold W. M. Smith became a Director that year. Mr. Wylie was elected as a Director on April 23, 1976, and acted as such a Director until the end of July, 1976. During the period of his incumbency, the terms of the Consent Judgment were an on-going subject of

concern and consideration by the Directors and he must, as a result, certainly have been aware of the provisions of the Judgment.

23. While Mr. Bothwell has not been a Director of Canadian Javelin Limited, he has been a Director of Bison Petroleum and Minerals Limited since 1966, as appears from the information circular distributed by the Wismer group. Since Bison was a subsidiary of Javelin in 1974 when the Consent Judgment was entered, Mr. Bothwell must be presumed to be familiar therewith and to be bound thereby.

24. In view of the efforts by Canadian Javelin Limited through its public information officer to redress these violations by means of recourse to Special Counsel and to the Securities and Exchange Commission, and in view of the fact that such recourse has not been effective, the instant application is hereby made by defendant Canadian Javelin Limited to enforce the said Judgment of Injunction.

25. Defendant Canadian Javelin Limited has an interest in the enforcement of the Consent Judgment in that: By virtue of its relationship to Bison Petroleum and Minerals Limited, violations of the Securities Laws by purported officers and Directors of Bison could be attributed to Canadian Javelin Limited, which could find itself held responsible therefor by the Securities and Exchange Commission and by shareholders, notwithstanding that it is completely without responsibility for the acts of the Wismer group and has attempted, although unsuccessfully, to prevent them from violating the Judgment and the Securities laws. Further, Canadian Javelin Limited has an interest, in that, through the use of the material improperly distributed to shareholders, the Wismer group has purported to install itself as

management of Bison and has further divested Javelin of control of a valuable subsidiary.

26. Defendants William M. Wismer and John C. Doyle have appeared in this action by Martin Ozer, Esq. of 475 Fifth Avenue, New York City. It is respectfully requested that service of the Order to Show Cause and supporting papers be made upon those defendants by serving them upon their said attorney and by sending a copy thereof by mail to Wismer at his business address, care of Bison Petroleum and Minerals Limited, 250 University Avenue, Toronto, Canada M5H 3E7 and his home, 50 Prince Arthur Avenue, Penthouse One, Toronto, Ontario, Canada, and a copy by mail to Doyle at his residence at the El Panama Hotel, Panama, R.P. The addresses of the other persons sought to be held in contempt are, upon information and belief, as follows:

John A. Rozzini
1276 Bel Air Drive
Dorval, Quebec

C. W. Wylie
39 Onaway Road
Port Credit, Ontario

Harold W. M. Smith
Vineland Station
Vineland, Ontario

Anthony G. Ayre
Trail's End
Topsail Road
St. John's, Newfoundland
G. P. O. Box 1506

Frank C. Shirriff
27 Forest Glen Crescent
Toronto, Ontario

George R. Bothwell
2175 Lac St. (Apt. 18)
Regina, Saskatchewan

(All in Canada)

27. It is proposed to serve each of the alleged contemptors, as aforesaid, personally, and to make personal service

on the Securities and Exchange Commission as well.

28. It is respectfully requested that the attached Order to Show Cause be signed, requesting the alleged contemnors to show cause why they should not be held in contempt for violation of the terms of the Consent Judgment.

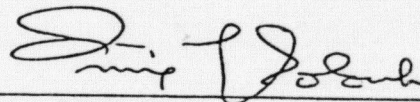
29. It is further respectfully requested that such contemnors be permitted to purge themselves of such contempt by the payment of appropriate fines to be fixed by the Court, and by the payment of counsel fees and all costs of this proceeding and the investigation, preparation and conduct thereof.

30. No previous application has been made for the relief herein requested.

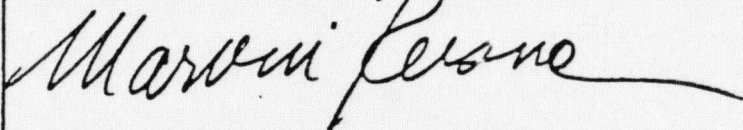
31.—This application is brought on by Order to Show Cause so that the Court may fix the manner of service upon the alleged contemnors.

WHEREFORE, defendant Canadian Javelin Limited moves this Court for an Order requiring defendant William M. Wismer and Messrs. John A. Rozzini, C. W. Wylie, Harold W. M. Smith, Anthony G. Ayre, Frank C. Shirriff and George R. Bothwell, to show cause why they should not be adjudged in contempt of this Court, and upon return of said Order, to adjudge them in contempt for having violated and disregarded the terms of the said Consent Judgment, and to order that they may purge themselves of said contempt only by paying defendant Canadian Javelin Limited a sum to be fixed by this Court, together with all costs of this proceeding, including reasonable attorneys' fees.

Sworn to before me this
31st day of March, 1977



IRVING L. GOLOMB



MARVIN REISMAN

Notary Public, State of New York

No. 00-8540125

Qualified in Westchester County

Term Expires March 30, 1978

EXHIBIT I TO GOLOMB AFFIDAVIT - JUDGMENT OF
PERMANENT INJUNCTION (reproduced herein at pages
A-5 - A-13)

EXHIBIT II TO GOLOMB AFFIDAVIT - STIPULATION
AS TO WILLIAM M. WISMER (reproduced herein at
pages A-20 - A-24)

EXHIBIT III TO GOLOMB AFFIDAVIT - LETTER TO
SHAREHOLDERS OF BISON PETROLEUM & MINERALS
LIMITED DATED FEBRUARY 21, 1977

BISON PETROLEUM & MINERALS LIMITED

Head Office:

Suite 600,
250 University Avenue,
Toronto, Ontario.
M5H 3E7

Regina Executive Office:

303 Gordon Building,
2180 - 12th Avenue,
Regina, Saskatchewan.
S4P 0M5

February 21st, 1977.

The Shareholders,
Bison Petroleum & Minerals Limited

Dear Shareholder:

You may wonder what this meeting of Bison shareholders is about. Niceties aside, this meeting is being requisitioned by Canadian Javelin Limited ("Javelin") to regain management of your Company.

Javelin is controlled by John C. Doyle whose nominees were elected from the floor at a meeting of shareholders convened pursuant to a Quebec Court Order on July 30, 1976.

Prior to July 30, 1976, six other directors and myself requisitioned a meeting of directors of Javelin and ousted the John C. Doyle management. There followed a series of legal actions in the Province of Quebec (where the head office of Javelin is located) and Mr. Doyle succeeded in obtaining a Court Order for a meeting of shareholders to be convened to determine whether Mr. Doyle's board or the other board, of which I was a member, was to be the board of directors of Canadian Javelin Limited. The Court did not require any information or particulars concerning Mr. Doyle's nominees to be given to shareholders and they were, by virtue of his voting control, nominated and elected from the floor at that meeting. The Department of Consumer and Corporate Affairs attacked the validity of the notice and the meeting because the information circular requirements of the Canada Corporations Act were not complied with. The securities laws of the United States were also not complied with notwithstanding Javelin's agreement and consent to

Court Orders in 1968 and 1974 requiring such compliance. Furthermore, the Department of Consumer and Corporate Affairs has appealed the Judgment of the Court which ordered that the shareholders' meeting must proceed.

John C. Doyle's nominees, who were elected at the above-mentioned meeting, are running Javelin and are now seeking control of Bison and other subsidiary and affiliated corporations.

Since July 30, 1976, there has been very little news (mostly bad) concerning the activities of Javelin. I might refer you to the statement in the Canadian House of Commons which was reported in the February 11, 1977, edition of the Globe & Mail in Toronto, a copy of which I enclose. I might also refer you to the press report of a recent amendment to an S.E.C. complaint which was reported in the enclosed article from the Wall Street Journal of February 15, 1977.

As at June 30, 1976, Canadian Javelin Limited was indebted to Bison in the amount of \$668,863 and Pavonia S.A., Javelin's wholly-owned subsidiary, was indebted to Bison in the amount of \$475,000. A demand for payment was made, however, the demand has been ignored notwithstanding its acknowledgement in the June 30, 1976 unaudited consolidated financial statements of Javelin. Having examined that financial statement, Bison has authorized an action to wind-up Canadian Javelin Limited.

For your information, I am reviewing the financial losses suffered by Bison up to December 31, 1975. In that period the fiscal year end net losses of Bison were as follows:

May 31, 1966	-	\$ 129,458 net loss
(7 months)		
December 31, 1966	-	\$ 61,318 net loss
December 31, 1967	-	\$ 99,359 net loss
December 31, 1968	-	\$ 110,195 net loss
December 31, 1969	-	\$ 62,774 net loss
December 31, 1970	-	\$ 123,123 net loss

WALL STREET JOURNAL

TUESDAY, FEBRUARY 15, 1977

SEC CHARGES CANADIAN JAVELIN FAILED TO
ACCOUNT FOR CENTRAL AMERICA OUTLAYS

By a Wall Street Journal Staff Reporter

"WASHINGTON - Canadian Javelin Ltd. isn't able to provide a full accounting for about \$7.2 million spent on certain projects in Central America, the Securities and Exchange Commission contended.

According to the commission, the bulk of the funds were allocated for a road construction project in Panama. Most of the cash for this project later was diverted to other uses, the SEC said.

The latest SEC charges against Canadian Javelin are contained in amendments in a complaint that the agency filed against the company last November. Other defendants in the old and new charges include: John C. Doyle, Canadian Javelin's founder, Raymond Balestreri, president; Sarto Fournier, chairman; P.J. De Santis, treasurer, and Jean V. Allard and Manuel Paredes, directors.

Both the original complaint and the amendments were filed in federal court here. The commission is asking the court to appoint a receiver for Canadian Javelin 'to determine the present, actual financial condition' of the company and whether 'there has been any misappropriation or theft of corporate assets'.

The company explores for and develops natural resources.

Jail Sentence

Doyle, the target of several previous law-enforcement actions by U.S. and Canadian authorities, was described by the SEC as holding a controlling 18.4% interest in the Montreal-based company. Currently a resident of Panama City, according to the SEC, Doyle has yet to serve a three-month jail sentence a U.S. federal judge imposed on him in 1966 for

selling unregistered Canadian Javelin stock. Originally, the SEC accused Canadian Javelin and the individual defendants of having failed to make full disclosure of the company's activities as required by federal securities law.

In detailing its charges of unaccounted-for expenditures, the commission said that Canadian Javelin sold \$6.5 million of its series B debentures in 1973, ostensibly to pay for construction of a 24-mile highway between the town of San Felix and the Escopeta Valley in Panama. The entire proceeds from the sale were turned over to one of the road contractors, International Oceanic Construction Corp.

Purchase of Real Estate

According to the SEC's amended complaint, however, the Panamanian road contract was renegotiated by Doyle in 1974, and more than \$1.8 million of the \$6.5 million was credited to Pavonia S.A., a Canadian Javelin subsidiary. Pavonia actually was paid less than \$800,000 of this amount, though, which it applied toward the purchase of real estate in Honduras and El Salvador priced at \$870,000, the SEC said.

Previously, the main parcel of land in the transaction, which Doyle negotiated, 'had been offered for sale to Canadian Javelin for \$25,000', the SEC said.

In March 1976, the SEC said, John A. Rozzini, a former Canadian Javelin vice-president, completely repudiated earlier representations to Canadian Javelin's outside auditors concerning the road project. He asserted that his inspection of the books and records of Oceanic and another construction company indicated 'total costs of only \$1 million to \$1.8 million', according to the complaint. In May 1976, a vice-president of the company's Pavonia subsidiary 'alleged that the first \$3 million in progress billings on the Panamanian road project were "phony",' the SEC said.

An SEC lawyer said the amended complaint has been sealed by the court here at the request of Canadian Javelin, but that the commission intends to challenge the court's action. Copies of the complaint were made available before the court acted, however."

December 31, 1971	-	\$ 134,421 net loss
December 31, 1972	-	\$1,224,484 net loss
December 31, 1973	-	\$ 80,479 net loss
December 31, 1974	-	\$ 81,657 net loss
December 31, 1975	-	<u>\$ 379,922 net loss</u>
Total		
(10 years and 7 months)	-	\$2,487,917 net loss

Since "management" of Bison was taken from Canadian Javelin Limited, the Company has prospered. In this regard, I might quote from a recent memorandum of the General Manager of Bison, Mr. David L. Surjik as follows:

"In spite of onerous Provincial royalties and Federal taxes which take 85% of the total cash flow from world prices of oil, we are now in the best financial position we have ever been, mainly due to the fact that during the last nine months Bison has been free of Canadian Javelin's 'management'. This 'management' consisted mainly of immediate unilateral drainage of any surplus cash we managed to achieve through our own diligence."

Your directors would have preferred that this be an annual and general meeting of shareholders, however, audited financial statements cannot be produced in time and your management is constrained by Court Order to convene this meeting on or before March 16, 1977.

In connection with this forthcoming meeting, Bison is commencing an action in the Supreme Court of Ontario to seek the return to Bison's treasury of 1,440,000 shares of Bison issued to Javelin in 1966 for the issuance of which no valuable consideration was received. An injunction is also to be sought in the Supreme Court of Ontario to restrain the voting of this stock by Canadian Javelin Limited at the forthcoming meeting of Bison shareholders on March 16, 1977, as well as the voting of any escrowed stock of Bison held by Javelin.

Your assistance in maintaining your present board of directors of Bison in office is respectfully requested by

voting your proxy against removing the present directors and against electing a full board of seven directors in their stead for the remainder of their term.

Respectfully submitted,

W.M. WISMER, Q.C.,

President.

THE GLOBE AND MAIL

FEBRUARY 11, 1977

CANADIAN JAVELIN

"OTTAWA (CP) - The Commons has denied unanimous consent to debate a motion directing the Consumer and Corporate Affairs Minister to place Canadian Javelin Ltd. of St. John's under a trustee.

Several Liberal MPs shouted their disapproval to a motion from John Crosbie (PC, St. John's West) asking for action to protect the shareholders and creditors of the company.

Mr. Crosbie said the company's board, controlled by John C. Doyle, "a fugitive from justice in both Canada and the United States," threatens to drop suits against Mr. Doyle and others for frauds against the company.

He said Javelin has not had an annual meeting since June 30, 1975, and has not issued an audited financial statement since 1974. In fact, its auditors quit, he said.

Javelin has had revenue of \$7-million a year but has not paid a cash dividend to its shareholders for 10 years."

EXHIBIT IV TO GOLOMB AFFIDAVIT - NOTICE OF
SPECIAL GENERAL MEETING OF SHAREHOLDERS
OF BISON PETROLEUM & MINERALS LIMITED

BISON PETROLEUM & MINERALS LIMITED

Head Office:

Suite 600,
250 University Avenue,
Toronto, Ontario.
M5H 3E7

Regina Executive Office:

303 Gordon Building,
2180 - 12th Avenue,
Regina, Saskatchewan.
S4P 0M5

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a Special General Meeting of Shareholders of the Corporation will be held on Wednesday, the 16th day of March, 1977, at the hour of 11:00 o'clock in the forenoon (Toronto time), at The Lord Simcoe Hotel, Toronto, Ontario, in response to the requisitions of Canadian Javelin Limited and C.J.V. Holdings Limited dated February 10th, 1977, pursuant to Section 109 of The Business Corporations Act of Ontario, for the following purposes:

- (a) considering and if thought advisable removing as directors of your Corporation pursuant to Section 140 of The Business Corporations Act, R.S.O. 1970, Chapter 53 as amended, all of the present directors of your Corporation; and
- (b) if the said directors are so removed electing a full board of seven directors in their stead for the remainder of their term.

Shareholders who are unable to attend the meeting in person are asked to complete, date, sign and return the enclosed form of proxy before the meeting in the enclosed envelope provided for this purpose.

A form of proxy and an information circular accompany this notice.

DATED at Toronto, this 21st day of February, 1977.

By Order of the Board,

W.M. Wismer, Q.C.,
President.

EXHIBIT V TO GOLOMB AFFIDAVIT - BISON PETROLEUM
& MINERALS LIMITED INFORMATION CIRCULAR

BISON PETROLEUM & MINERALS LIMITED

Head Office:

Suite 600,
250 University Avenue,
Toronto, Ontario.
M5H 3E7

Regina Executive Office:

303 Gordon Building,
2180 - 12th Avenue,
Regina, Saskatchewan.
S4P 0M5

INFORMATION CIRCULAR

AS OF FEBRUARY 15, 1977

This Information Circular accompanies Notice of the Special General Meeting of Shareholders of Bison Petroleum & Minerals Limited (herein called the "Corporation") called for the 16th day of March, 1977, and is furnished in connection with proxies for use at the meeting.

APPOINTMENT AND REVOCATION OF PROXIES

A SHAREHOLDER DESIRING TO APPOINT SOME PERSON (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THOSE SPECIFIED IN THE ENCLOSED FORM OF PROXY TO REPRESENT HIM AT THE MEETING, MAY DO SO BY CROSSING OUT THE NAMES OF THE PERSONS DESIGNATED AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND RETURNING THE COMPLETED PROXY IN THE ENCLOSED ENVELOPE PROVIDED FOR THAT PURPOSE BEFORE THE MEETING OR MAY SUBMIT ANOTHER PROXY.

In addition to revocation in any other manner permitted by law, any shareholder returning the enclosed form of proxy, may revoke the same by instrument in writing duly executed by him or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Corporation at any time up to and including the last business day preceding the day of the meeting or any adjournment thereof, at which the proxy is to be used, or with the Chairman of such meeting on the day of the meeting or adjournment thereof, and upon either of such deposits the proxy is revoked.

PERSONS MAKING THE SOLICITATION

THE ENCLOSED PROXY IS BEING SOLICITED BY THE MANAGEMENT OF THE CORPORATION. Solicitations will be made by mail, telephone or other personal contact to be made without special compensation by regular employees, officers and directors of the Corporation. The cost of solicitation will be borne by the Corporation. The Corporation may reimburse shareholders' nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed subject to the terms of Section 121 of The Business Corporations Act, which provides that the Chairman at a meeting has the right not to conduct a vote by way of ballot on any matter or group of matters in connection with which the form of proxy has provided a means whereby the person whose proxy is solicited may specify how such person wishes the shares registered in his name to be voted unless,

(a) a poll is demanded by any shareholder present at the meeting in person or represented thereat by proxy; or

(b) proxies requiring that the share represented thereby be voted against what would otherwise be the decision of the meeting in relation to such matters or group of matters total more than 5 percent of all the voting rights attaching to all the shares entitled to be voted and be represented at the meeting.

SUCH SHARES WILL BE VOTED AGAINST THE REMOVAL OF DIRECTORS AND ELECTION OF DIRECTORS IN THEIR STEAD. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting and with respect to other matters which may properly come before the meeting. As of the date hereof, the management of the Corporation does not know of any such amendment, variation or other matters to come before the meeting other than the matters referred to in the notice of meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of 7,500,000 shares with the par value of \$1.00 each of which there are issued and outstanding as fully paid, 4,223,713 shares. Each holder of a share of record on the day of the meeting is entitled to one vote for each such share held. To the knowledge of the directors and senior officers of the Corporation, no person or corporation beneficially owns, directly or indirectly, equity shares carrying more than 10% of the voting rights attached to all equity shares of the Corporation except the following:

<u>Name</u>	<u>Approximate Number of Shares Beneficially Owned, Directly or Indirectly</u>	<u>Percentage of Outstanding Equity Shares Represented by the Number of Shares so Owned</u>
Canadian Javelin Limited	2,507,084	61.2%
C.J.V. Holdings Limited (a wholly-owned subsidiary)	80,200	

The share register of the Corporation will not be closed and only shareholders of record will be entitled to vote at the meeting. Those shareholders desiring to be represented by proxy at the meeting must deposit their proxy forms with the Registrar and Transfer Agent of the Corporation or the Secretary of the Corporation before 11:00 o'clock in the forenoon on Wednesday, the 16th day of March, 1977.

ELECTION OF DIRECTORS

The Board consists of seven directors to be elected annually. The persons named in the enclosed form of proxy intend to vote against the removal of the present directors and if removed intend to vote against the requisitionists' nominees.

The present directors are the following:

<u>Name</u>	<u>Office Held With Company</u>	<u>Occupation</u>	<u>Shares Bene- ficially Owned</u>	<u>Date of First Election to Board</u>
William M. Wismer, Q.C.	President	Corporate Executive, President of Dominion Jubilee Corporation Limited and Norlex Mines Limited.	5,001	1966
George R. Bothwell	Vice- President	Safety Director, previously Insurance Underwriter.	1	1966
Frank C. Shirriff	-	Executive, President, Packaging Equipment Services Limited, Willowdale, Ontario.	0	1976
J.A. Rozzini	-	Engineering Consultant.	0	1976
C.W. Wylie	-	President, Wylie Invest- ments Ltd., Toronto, Ontario.	0	1976
Harold W.M. Smith	-	Fruit Producer and Pro- cessor. Director of Norlex Mines Limited and Dominion Jubilee Corp- oration Limited.	0	1975
Anthony G. Ayre	-	Self-employed, (consulting, administration and con- tracting), General Manager, St. John's, Nfld. Board of Trade; General Manager, Newfoundland-Labrador Chamber of Commerce.	500	1975

REQUISITIONISTS' NOMINEES

The following information is furnished by the requisitionists with respect to each person proposed to be nominated for election as a director by the requisitionists in the event the present directors are removed:

<u>Name</u>	<u>Occupation</u>	<u>Shares Beneficially Owned</u>
The Honourable Senator Lionel Henri Choquette, Q.C.	Barrister and Solicitor, Member of the Senate of Canada since January 1, 1958.	1
The Honourable Senator Sarto Fournier, Q.C.	Barrister and Solicitor, Member of the Senate of Canada since 1958, Mayor of the City of Montreal, Quebec from 1957-60.	1
General Jean Victor Allard, (R'td), C.C., C.B.E., D.S.O.	President since April, 1976 of Transbord Ltd., Industrial Park, C.P. 66, Becancour, Quebec, Canada. Transbord Ltd. is engaged in the busi- ness of Transportation Brokers dealing with the trucking in- dustry. From 1966 to 1970, General Allard was Chief of the Defense Staff of the Canadian Armed Forces in Ottawa, Canada. From 1970-1, he was Head of the Quebec Delegation, Quebec House, New York, N.Y., which was engaged in industrial promotion for the Province of Quebec. From 1971-72 he held the office of Chairman of the Board of Bouchard, Inc., Stockbrokers, in Montreal, Quebec. From 1971-76 General Allard was a self-employed Busi- ness Consultant and in business administration.	1

General Allard was a director of the Corporation from May 24, 1974 to June 30, 1975.

<u>Name</u>	<u>Occupation</u>	<u>Shares Beneficially Owned</u>
Pierre Warren	Professional Engineer, positions held for the past ten years: 1966-74 Comptroller, 1975 to date Consultant, Structural Inc., Quebec, Quebec. Fabricates and erects structural steel used in reinforced concrete building. 1967-73 President, Enamel & Heating Inc., Sackville, N.B. 1973 to date, Chairman of the Board, Enheat Inc., (Successor to the above company). Manufactures ranges, furnaces, water heaters, steel reinforcing bars. Plants at Sackville and Amherst, N.S.	1
Raymond Balestreri	President, Canadian Javelin Limited, 1115 Sherbrooke Street West, Montreal, Quebec, Canada. Since 1966, Mr. Balestreri has served in various capacities with the Company. He became a director of Javelin in May, 1973, and President of Javelin in May, 1974 until March 6, 1976. At a meeting of the Board of Directors held on July 30, 1976 he was re-elected President of Javelin. Positions held with Javelin 1966-70 Assistant-Secretary & Secretary 1971-74 Vice-President Administration 1974-76 President	1

Mr. Balestreri was a director of the Corporation from September, 1972 to March 27, 1976.

<u>Name</u>	<u>Occupation</u>	<u>Shares Beneficially Owned</u>
Colin C. Rous	Chartered Insurance Broker for the past sixteen years. A director and officer of Rous & Matthews and Associates Ltd., 8235 Mountain Sights, Montreal, Quebec, Canada.	1
Prospero J. DeSantis	1970 to date, Treasurer of Javelin, 1115 Sherbrooke Street West, Montreal, Quebec. During the past five years Mr. DeSantis has acted in the capacity of Secretary and Treasurer of Javelin.	1

Mr. DeSantis was a director of the Corporation from May 30, 1973 to June 25, 1976.

Each new director if elected would hold office until the next Annual Meeting and until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation.

EXHIBIT Va TO GOLOMB AFFIDAVIT - BISON PETROLEUM
& MINERALS LIMITED PROXY
BISON PETROLEUM & MINERALS LIMITED

Head Office:

Regina Executive Office:

Suite 600, 250 University Avenue, Toronto, Ontario. M5H 3E7
303 Gordon Building, Regina, Saskatchewan. S4P 0M5

SPECIAL GENERAL MEETING OF SHAREHOLDERS

PROXY

THIS PROXY IS SOLICITED BY MANAGEMENT

The undersigned shareholder appoints WILLIAM M. WISMER, Q.C., or him failing, G.R. BOTHWELL, or him failing, HAROLD W.M. SMITH, (or) as proxy for the undersigned to attend the Special General Meeting of Shareholders of the Corporation to be held on Wednesday, the 16th day of March, 1977, at 11:00 o'clock in the forenoon, at The Lord Simcoe Hotel, Toronto, Ontario, and any adjournment thereof and to vote and otherwise act thereat for and on behalf of and in the name of the undersigned upon the following proposals referred to in the Notice of Meeting in response to the requisitions dated February 10, 1977, of Canadian Javelin Limited and C.J.V. Holdings Limited (hereinafter referred to as the "requisitionists"), and the undersigned hereby revokes all proxies heretofore given with reference to the said meeting:

FOR

☐

Removing as directors of your Corporation pursuant to Section 140 of The Business Corporations Act, R.S.O. 1970, Chapter 53, as amended, all of the present directors of your Corporation; and

AGAINST

☐

FOR

☐

Electing a full board of seven directors in their stead for the remainder of their term if the aforesaid removal is effected. (Reference is made to the Information Circular for particulars of the present Board of Directors and particulars of the requisitionists' nominees.

AGAINST

☐

THIS PROXY ALSO CONFERS AUTHORITY FOR THE ABOVE-NAMED TO VOTE IN HIS DISCRETION WITH RESPECT TO AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING OR OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING OR ANY ADJOURNMENT THEREOF.

SIGNED AND DATED this 28 day of Jul, 1977.

Joseph D Rosenthal
Signature of Shareholder

2000
Number of Shares

INSTRUCTIONS:

Shareholders are entitled to vote at the meeting either in person or by proxy. If you are unable to be present at the meeting, please complete, date, sign your name exactly as it appears in the form of proxy and return same in the enclosed envelope provided for this purpose. If the shareholder is a corporation, the form of proxy must be duly signed under its corporate seal or by an officer or attorney thereof duly authorized.

JOSEPH D ROSENTHAL
APT 3
RIVIERA
3619N HOWARD AVE
TAMPA FLA 33607 USA

5753

EXHIBIT VI TO GOLOMB AFFIDAVIT - ENVELOPE

SUITE 600
250 UNIVERSITY AVENUE
TORONTO, CANADA
M5H 1A7

5753

JOSEPH D ROSENTHAL
RIVIERA APTS
3619N HOWARD AVE
TAMPA FLA 33607 USA

EXHIBIT VI

EXHIBIT VII TO GOLOMB AFFIDAVIT - LETTER SENT
BY TELECOPIER FROM N. OLSON ON BEHALF OF
COMPLIANCE COMMITTEE TO M. EISENBERG ON
FEBRUARY 28, 1977

M. Eisenberg

Re: Canadian Javelin Limited ..

It has come to the attention of the Compliance Committee of Canadian Javelin, Limited that W.M. Wismer who is party to a stipulation dated June 17, 1974 in the S.E.C. action against Canadian Javelin Limited, J.C. Doyle and W.M. Wismer in the United States District Court, Southern District of New York, 73 CIV. 5074, and the consent decree entered in that action, has been circulating a certain letter dated February 21, 1977 to the United States Shareholders.

signed

The stipulation :// by Mr. Wismer, reads in part:

" Wismer shall not engage in the dissemination of information to the public without the specific prior approval and at the direction of Javelin's standing Compliance Committee and the special counsel to said committee..."

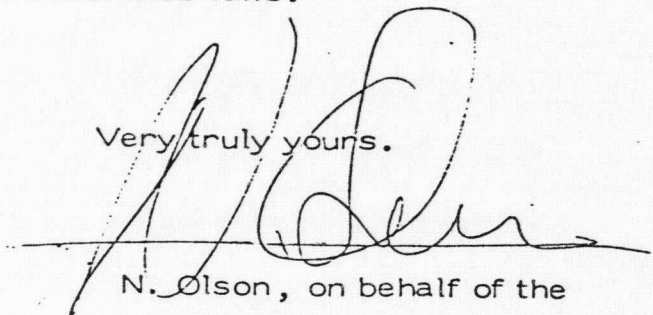
The Wismer letter, of which a copy is attached, makes frequent references to Javelin, but it was not submitted to Javelin's standing Compliance Committee for prior approval nor was it sent at the committee's direction. I am therefore confident that it was likewise sent without the prior approval or direction of Special Counsel.

Further the letter fails to disclose that Mr. Wismer was the President and a Director of Javelin during most of the period described in that letter or from 1968 through 1975. He has therefore omitted to show his relationship to the claimed net losses of Bison, which his letter seems to attribute to Javelin. It may well be a materially misleading omission which could be in

violation of the consent decree.

We feel it incumbent upon us to call these facts to your attention so that you may take appropriate steps to ensure compliance with the consent decree and with the United States Securities laws.

Very truly yours.


N. Olson, on behalf of the

Compliance Committee

Letter and enclosures will follow by mail

*Sent over Telecopier on instructions
from N. Olson / 3-28-77
4:35
L.V.*

EXHIBIT VIII TO GOLOMB AFFIDAVIT - LETTER FROM
N. OLSON ON BEHALF OF COMPLIANCE COMMITTEE
TO MEYER EISENBERG DATED MARCH 3, 1977

March 3, 1977

Mr. Meyer Eisenberg,
Lawler, Kent & Eisenberg,
1156 - 15th Street, N.W.
Washington, D.C. 20005

Re: Canadian Javelin Limited

Dear Mr. Eisenberg:

It has come to the attention of the Compliance Committee of Canadian Javelin Limited that W.M. Wismer, who is a party to the stipulation dated June 17, 1974 in the S.E.C. action against Canadian Javelin Limited, J.C. Doyle and W.M. Wismer, in the United States District Court for the Southern District of New York, 73 Civ. 5074 (LVM), and the consent decree entered in that action, has been circulating a letter of proxy solicitation dated February 21, 1977, in connection with the Special Meeting of the shareholders of Bison Petroleum & Minerals Limited ("Bison"), a subsidiary or affiliate of Javelin to which the consent decree and stipulation in terms applies. Our information is that said letter or solicitation has been received by United States shareholders.

The stipulation signed by Mr. Wismer reads in part:
"W. Wismer shall not engage in the dissemination of information to the public without the specific prior approval and at the direction of Javelin's standing Compliance Committee and the special counsel to said committee ...". Moreover, the Wismer letter or solicitation, a copy of which is attached, makes numerous allegations concerning Javelin and seeks, or threatens, to deprive Javelin of its voting control of Bison. However, it was not submitted to Javelin's standing Compliance Committee for prior approval, nor was it sent at the direction of the Committee. I am therefore confident that it was likewise sent without the prior approval or direction of Special Counsel, and so was in direct violation of the terms of the injunction and consent.

....2/

Mr. M. Eisenberg

March 8, 1977

In addition the Wismer solicitation appears to violate section 14(a) of the United States Securities Exchange Act and Rule 14a-9 thereunder. While making numerous suggestions that Javelin is responsible for the claimed losses sustained by Bison over a period of years, the solicitation omits to disclose that during most of the period described therein — or from 1968 to 1975 — Wismer was the President and a Director of Javelin. Similarly, while relating in detail that Javelin consented to several S.E.C. Injunctions (and implying that such consents constitute admissions of wrongdoing whereas no such admission was made), as well as relating at length yet unproven allegations of the current S.E.C. Injunction action against Javelin and certain of its officers and directors in the District of Columbia, the solicitation neglects to mention that Wismer himself was a defendant in the Southern District Injunction action, consented to the entry of an Injunction against him, and that his solicitation itself violates that consent Injunction.

We feel it incumbent upon us to call these facts to your attention so that you may take appropriate steps to insure compliance with the consent decree and with the United States Securities Laws, in order to protect the American stockholders of both Javelin and Bison.

Very truly yours,

CANADIAN JAVELIN LIMITED

N. Olson, on behalf of the
Compliance CommitteeNO/lt
Encl.

EXHIBIT IX TO GOLOMB AFFIDAVIT - LETTER FROM
LEONARD J. RUBIN, ESQ. TO NORMAN OLSON DATED
MARCH 8, 1977

LAWLER, KENT & EISENBERG

1156 FIFTEENTH STREET, N. W.

WASHINGTON, D. C. 20005

NEW YORK OFFICE:
460 PARK AVENUE
NEW YORK, NEW YORK
TEL. (212) TE 8-4600

TELEPHONE 293-2240
AREA CODE 202

March 8, 1977

Norman Olson, Public Information
Officer
Canadian Javelin Limited
1115 Sherbrooke St., West
Suite 2900
Montreal, Quebec H3A 1H5

Dear Norman:

I have received your letter of March 3, 1977 in which you advise us that William Wismer appears to be violating the terms of a Stipulation of Dismissal to which he consented in the SEC injunctive action against Canadian Javelin and others in June, 1974.

I have reviewed Mr. Wismer's Consent as well as the materials you forwarded me. These materials consist of a Notice of Special General Meeting of Shareholders of Bison, an accompanying information circular dated February 15, 1977 and a letter to Bison shareholders signed by Mr. Wismer as President of Bison. After reviewing the materials I telephoned Mr. Wismer to request an explanation. He was not available, and my telephone call was returned by a Mr. R. N. Starr, who said he was Bison's attorney. I asked him several questions concerning the substance of the material as well as the distribution of it and he was extremely reluctant to give me any information. I told him that I would request in writing a full explanation and he stated that he would respond in writing, but not to expect anything more than what he had already told me - which was nothing.

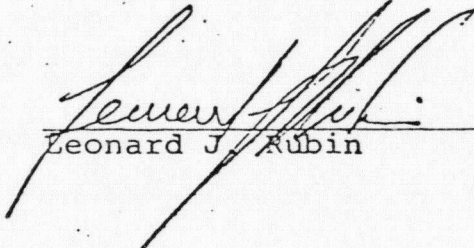
Without expressing any opinion on the substance of the materials, if the material was mailed to shareholders without the consent of the Compliance Committee and the advice of Special Counsel (and there was none given) Mr. Wismer appears to have violated the terms of his Consent Decree.

Norman Olson
March 8, 1977
Page 2

The only remedy available to Special Counsel, according to the Guidelines prepared for use by the Compliance Committee, is to advise the Board of Directors of Canadian Javelin of the default and request that it be cured. Following this the matter will be reported to the U. S. Securities and Exchange Commission for whatever action they deem appropriate.

While Special Counsel cannot as yet report the violation to the SEC (without going through the formalities above described) there is nothing to prevent the Compliance Committee from reporting it directly to the SEC on its own. Unless I hear from you to the contrary, I will request a written explanation from Mr. Starr and report to the Javelin Board of Directors.

Sincerely,



Leonard J. Rubin

LJR:ked

cc: -Joel Silcoff
Frank Geller

EXHIBIT X TO GOLOMB AFFIDAVIT - LETTER FROM
DEFENDANT CANADIAN JAVELIN LIMITED TO PLAIN-
TIF DATED MARCH 17, 1977

TEL (514) 842-5831

TELEX 05-24316

Canadian Javelin Limited

EXECUTIVE OFFICES

*1115 Sherbrooke St. West**Suite 2900**Montreal, Quebec*

H3A 1H5

March 17, 1977

Securities & Exchange Commission,
Room 515,
500 North Capital St.,
Washington, D.C. 20549

Attention: Mr. Wallace B. Timmeney, Esq.,
Enforcement Division

Gentlemen:

Re: Canadian Javelin Limited

We enclose copies of two letters from Mr. Norman Olson, Compliance Officer of this Company, dated February 28, 1977 and March 3, 1977, addressed to Mr. L.J. Rubin, of Special Counsel's office and responsive letter of Mr. Rubin dated March 8, 1977.

These are forwarded to you so that you may take such enforcement action with regard to the subject matter of these letters as may be appropriate, including but not limited to contempt proceedings against Mr. Wismer and his group, related to violation of the 1974 Consent Decree.

We would respectfully request that you advise us as to any action you may undertake.

Very truly yours,

CANADIAN JAVELIN LIMITED

R. Balestreri
R. Balestreri,
President

RB/lt
Encl.

EXHIBIT XI TO GOLOMB AFFIDAVIT - MARCH 6, 1977
TELEGRAM CONFIRMATION*Compliance
Committee*

MAR 6 5 11 PM '77

IMJ221 061700

MBM BK005 NL

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CRT MONTREAL QUE 06

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BT

UNDER THE 1974 DECREE OF THE UNITED STATES DISTRICT COURT IN NEW YORK ALL DISSEMINATION OF INFORMATION INCLUDING ALL FILING WITH REGULATORY AGENCIES BY BISON PETROLEUM AND MINERALS LTD AND WILLIAM M WISMER ARE REQUIRED TO BE APPROVED AND RELEASED BY THE COMPLIANCE COMMITTEE OF CANADIAN JAVELIN ESTABLISHED UNDER THE DECREE. A RECENT MAILING BY BISON AND WISMER TO BISON SHAREHOLDERS CONSTITUTED SUCH A DISSEMINATION IN VIOLATION OF THE DECREE. RECENT PUBLICITY ABOUT A TRANSACTION BETWEEN BISON AND DOMINION JUBILEE HAS ALSO COME TO THE ATTENTION OF THE COMMITTEE. FULL INFORMATION RELATIVE TO THIS TRANSACTION SHOULD BE RELEASED TO THE PUBLIC BUT ONLY BY AND TRUE THE COMPLIANCE COMMITTEE. DEMAND IS MADE THAT YOU FURNISH ALL INFORMATION IMMEDIATELY TO THE COMMITTEE AND REFRAIN AND DESIST FROM ANY DISSEMINATION OF INFORMATION EXCEPT TRUE THE COMPLIANCE COMMITTEE AND AS REQUIRED UNDER THE DECREE. FAILURE TO CONFORM TO THE DECREE MAY SUBJECT YOU TO A PROCEEDING FOR CONTEMPT.

NORMAN OLSON PUBLIC INFORMATION OFFICER FOR THE COMPLIANCE

COMMITTEE 1115 SHERBROOKE ST WEST MONTREAL QUE (514) 842-5831

//

MBM BK005 DELO001

MBM191 NL

(TO) (WILLIAM M WISMER PENTHOUSE 1

A-66

50 PRINCE ARTHUR AVE TORONTO ONT)

MBM BX005 DEL0002

MBM192 NL

(TO) (FRANK C SHERRIFF

27 FOREST GLEN CRESCENT TORONTO ONT)

MBM BX005 DEL0003

MBM193 NL

(ZZ) (ANTONY G AYRE TRAILS END

TOPSAIL RD ST JOHNS NFLD)

MBM BX005 DEL0004

MBM194 NL

(RA) (JOHN A ROZZINI

1276 BELAIR DRIVE DORVAL QUE)

MBM BX005 DEL0005

MBM195 NL

(SC) (H.W.M SMITH

VINE LAND STN VINE LAND ONT)

COPY OF TELEGRAM ACCEPTED FOR TRANSMISSION
COPIE D'UN TÉLÉGRAMME ACCEPTÉ POUR ACHÈMINEMENT



COPY OF TELEGRAM ACCEPTED FOR TRANSMISSION
COPIE D'UN TÉLÉGRAMME ACCEPTÉ POUR ACHÈMINEMENT



CONFIRMATION

CONFIRMATION



MBM BK005 DEL0006

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MBM196 NL

(TO) (C.W WYLIE

39 ONAWAY RD PORT CREDIT ONT)

MBM BK005 DEL0007

MBM197 NL

(RE) (GEORGES BOTHWELL

2131 ANGUS STREET STE 18 REGINA SASK)

CONFIRMATION



MBM BK005 DEL0008

MBM198 NL

(US) (LAWLER KENT AND EISENBERG ATT M EISENBERG AND L RUBIN

1156 FIFTEENTH ST N.W WASHINGTON DC)

NC

CANADIAN JAVELIN LTD

1115 SHERBROOKE ST W STE 2903

MONTREAL QUE (MAIL)

842-5831

CONFIRMATION

COPY OF TELEGRAM ACCEPTED FOR TRANSMISSION
COPIE D'UN TELEGRAMME ACCEPTE POUR ACHÈVEMENT

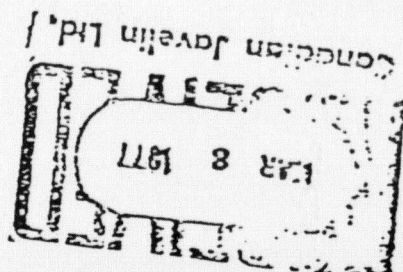


EXHIBIT XII TO GOLOMB AFFIDAVIT - ARTICLE APPEAR-
ING IN THE TORONTO STAR ON MARCH 17, 1977

0 THE TORONTO STAR, Thursday, March 17, 1977

Lawyer attempts to take over chair at bizarre Bison shareholder's meeting

By IRVIN LUTSKY

Star staff writer

Shareholders of Bison Petroleum and Minerals Ltd. of Toronto witnessed one of the most bizarre shareholders meetings in years yesterday. After efforts to unseat the existing board of directors were apparently unsuccessful and the meeting terminated, some shareholders proceeded to elect their own slate of directors.

Out of the confusion, and there was great confusion, some facts emerged:

— Bison has issued more than 3 million of its treasury shares in exchange for shares of another company but this was not disclosed in the information circular for the meeting.

— Despite the presence of at least three "security guards" hired by Bison, the dissidents continued to hold their own meeting after Bison president William Wismer ruled that the official meeting was terminated.

Javelin taking legal action

— Canadian Javelin Ltd. of Montreal (largest shareholder in Bison prior to the issue of more than 3 million Bison shares in February) is taking legal action with respect to the issue of the shares.

— Many lawyers earned a day's pay, and probably will earn more in the future as a result of the Bison-Javelin dispute.

What do all the fireworks mean? It all goes back to Canadian Javelin, a controversial international mining company and its equally controversial founder, John C. Doyle.

William Wismer, the former president of Javelin, is president of Bison. Wismer was ousted from Javelin last year by forces loyal to Doyle at a stormy meeting in Montreal.

Doyle has been a fugitive from U.S. justice for years. He also faces charges in Canada in connection with trading in Bison shares. Wismer and several directors of

Bison were convicted of contempt of court and fined recently in Quebec in connection with the 1976 Javelin meeting.

For the Montreal meeting, the Wismer forces attempted more than to triple the quorum — the minimum number of shareholders represented for a meeting to be held. This led to the convictions for contempt of court.

In a letter to shareholders, Wismer says that Bison has "authorized" an action to wind up Javelin, which, he says, owed Bison \$668,863 at June 30, 1976, and has ignored a demand for payment. He adds that a Javelin subsidiary also owes Bison \$475,000.

He says that since management of Bison was taken from Javelin, the company has prospered and quotes a memorandum from Bison general manager David L. Surjik.

The Surjik memorandum says Bison is in the best financial position it ever enjoyed "mainly due to the fact that during the last nine months it has been free of Javelin's management." This "management" consisted mainly of the immediate unilateral drainage of any surplus cash we managed to achieve through our diligence.

Wismer's letter also says that Bison is asking the Supreme Court of Ontario to order the return to Bisons' treasury of 1.44 million Bison shares issued to Javelin in 1966 "for which no valuable consideration was received."

Yesterday's meeting was ordered by the Supreme Court of Ontario on the application of Javelin. Its purpose was to consider removing the existing directors and election of a new board.

The meeting began with Wismer sitting beside Bison special counsel, J. M. Wainberg, a company law authority and author of the standard Canadian work on conduct of company meetings.

Javelin counsel D. G. C. Menzel immediately rose and told the meeting that the

information circular for the meeting was "substantially untrue" because it contained no reference to the issue of 3,276,287 Bison shares.

"Furthermore no public disclosure was made pursuant to the (Ontario Securities Commission's prompt disclosure policies," Menzel said. He added that as a result, the commission issued a cease trading order for Bison shares. A hearing to decide if the cease trading order should be lifted was scheduled for this morning.

Menzel said the issue of the shares of Dominion Jubilee Corp. Ltd. of Montreal "was made for an improper purpose." The board of Dominion Jubilee includes Wismer and other Bison directors.

Shareholders name chairman

A motion for termination was made by Menzel called for a ballot. The ballot result was in favor of termination.

Then the excitement began as Toronto lawyer B. Nixon Apple rose and told shareholders that since Wismer had "abandoned the chair as chairman of the meeting the shareholders could continue the meeting and appoint a new chairman.

Several shareholders, some of them Javelin directors, raised their hands in favor of continuing the meeting and Menzel suggested that Apple should be chairman.

Wismer and Wainberg quickly returned to the table at the front of the meeting room in the Lord Simcoe Hotel. When the Javelin nominees for the Bison board were being "nominated," Wismer said that he would order the security officers to clear the room.

A motion was made to close the nomination and as the security officers crowded around Apple, he "cast a single ballot for the election of the directors," in his words.

He then suggested that the meeting be terminated and his supporters raised their hands in favor.

EXHIBIT XIII TO GOLOMB AFFIDAVIT - CONSOLIDATED
BALANCE SHEET AS OF DECEMBER 31, 1975 OF BISON
PETROLEUM AND MINERALS LIMITED
BISON PETROLEUM & MINERALS LIMITED

AND SUBSIDIARY COMPANIES

STATEMENT 1

CONSOLIDATED BALANCE SHEET
as at December 31, 1975

ASSETS		1975	1974
Current:			
Cash		\$ 19,861	\$ 23,658
Accounts receivable, trade		60,248	62,406
Deposit receipts		108,500	93,500
Advances, prepaid expenses and supplies		30,459	27,011
Due from Pavonia S.A. (Note 4)		475,000	
		<u>694,068</u>	<u>206,575</u>
Investments:			
Parent company advances, at cost		691,827	831,486
Non-consolidated subsidiaries, at cost less accumulated losses (Note 1)		176,619	170,854
Others, at cost less allowances		16,380	16,380
Associated company advances, at cost		14,720	14,720
		<u>899,546</u>	<u>1,033,440</u>
Fixed, at cost:			
Producing properties, including well costs		731,294	730,644
Production and other equipment		400,133	395,549
		<u>1,131,427</u>	<u>1,126,193</u>
Less accumulated depreciation, depletion and amortization		799,893	779,409
		<u>331,534</u>	<u>346,784</u>
Non-producing properties, including goodwill		528,597	531,198
Mining rights, including development costs		213,867	741,161
		<u>1,073,998</u>	<u>1,619,143</u>
Other:			
Organization expenses		3,939	3,939
		<u>\$2,671,551</u>	<u>\$2,863,097</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current:			
Bank loan		\$ 30,000	—
Accounts payable and accrued charges		102,463	\$ 97,075
		<u>132,463</u>	<u>97,075</u>
Non-current:			
Advances —			
Affiliated companies		192,635	165,997
Minority shareholder		63,347	63,347
		<u>255,982</u>	<u>229,344</u>
Minority shareholders' equity		8,766	8,766
Shareholders' Equity			
Capital stock — (Notes 2 and 3)			
Authorized 7,500,000 shares at a par value of \$1.00 each			
Issued 4,223,713 shares		4,223,713	4,098,413
(1974 4,098,413 shares)			
Add premium on shares (net)		600,696	599,646
		<u>4,824,409</u>	<u>4,698,059</u>
Deficit (Statement 2)		2,550,069	2,170,147
		<u>2,274,340</u>	<u>2,527,912</u>
		<u>\$2,671,551</u>	<u>\$2,863,097</u>

Approved on behalf of the Board:

W. M. WISMER, Director

P. J. DeSANTIS, Director

EXHIBIT XIV TO GOLOMB AFFIDAVIT - 1973 ANNUAL
REPORT OF CANADIAN JAVELIN LIMITED

Board of Directors

- ° Anthony G. Ayre
Business Consultant
St. John's, Newfoundland
- Raymond Balestreri
President, Canadian Javelin Limited
Montreal, Quebec
- Hon. Thomas A. Dohm, Q.C.
Barrister & Solicitor,
Former Judge of the Supreme Court of British Columbia,
Director, Bank of British Columbia
Vancouver, B.C.
- John C. Doyle
Consultant, Javelin Export Limited
Panama, R.P.
- † ° Hon. Sen. Sarto Fournier, Q.C.
Barrister & Solicitor,
Member of the Senate of Canada
Hull, Quebec.
- Robert B. Major, K.M.,
Executive,
Director, United Provinces Insurance Co. Ltd.
St. Sauveur-des-Monts, Quebec.
- Manuel J. Paredes,
Real Estate Executive,
Director, Companie de LeFevre
Panama, R.P.
- John A. Rozzini,
Vice President, Projects Development, Canadian Javelin Limited
Montreal, Quebec.
- Frank C. Shirriff
President, Packaging Equipment Services Ltd.
Willowdale, Ontario
- Harold W. M. Smith
President, Harold Smith Holdings Ltd.
Vineland, Ontario
- William M. Wismer, Q.C.
President, Bison Petroleum & Minerals Limited
Toronto, Ontario
- † Chairman Executive Committee
- Executive Committee
- ° Audit Committee

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CANADIAN JAVELIN LIMITED

ANNUAL REPORT 1973

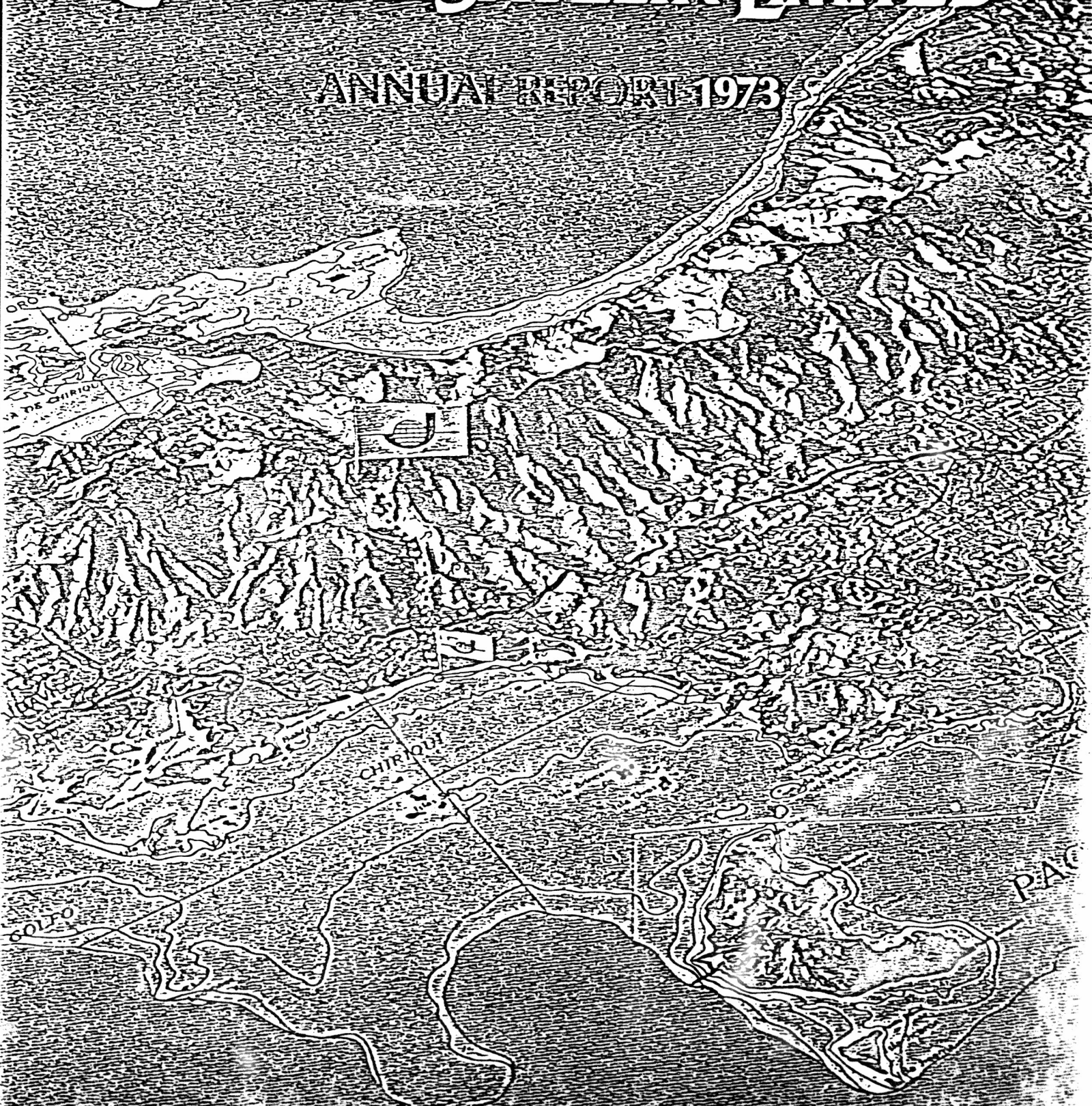


EXHIBIT XV TO GOLOMB AFFIDAVIT - 1974 ANNUAL REPORT OF CANADIAN JAVELIN LIMITED

BOARD OF DIRECTORS

General J. V. Allard (Ret.) — Montreal, Quebec
 Anthony G. Ayre — St. John's, Newfoundland
 Raymond Balestrieri — Montreal, Quebec
 Hon. Thomas A. Dohm, Q.C. — Vancouver, B.C.
 John C. Doyle** — Panama
 Hon. Sen. Sarto Fournier,* Q.C. — Montreal, Quebec
 Robert-Benoit Major,* K.M. — Montreal, Quebec
 Manuel Jose Paredes — Panama
 John A. Rozzini — Montreal, Quebec
 Frank C. Shirriff* — Toronto, Ontario
 William M. Wismer,* Q.C. — Toronto, Ontario

** Chairman of the Executive Committee

* Member of the Executive Committee

EXECUTIVE OFFICERS

Raymond Balestrieri — PRESIDENT
 John A. Rozzini — VICE-PRESIDENT, PROJECT DEVELOPMENT
 Robert B. Major, K.M. — VICE-PRESIDENT, PUBLIC RELATIONS
 Wyatt S. Hegler — VICE-PRESIDENT, ENGINEERING
 Raymond J. Doyle — VICE-PRESIDENT, OVERSEAS OPERATIONS
 P. J. DeSantis — SECRETARY

SOLICITORS

Canada: Robinson, Sheppard, Borenstein, Shapiro & Flam — Montreal, P.Q.
 Day, Wilson, Campbell — Toronto, Ontario
 McInnes & Neumann — Vancouver, B.C.
 Curtis, Dawe, Fagan, Mahoney & Russell — St. John's, Newfoundland
United States: Steptoe & Johnson — Washington, D.C.
 Diamond & Golomb — New York, N.Y.

AUDITORS

Lee & Martin, Chartered Accountants, St. John's, Newfoundland

14
BOARD OF DIRECTORS

A-73

CANADIAN JAVELIN LIMITED



ANNUAL REPORT

1974

AFFIDAVIT OF WILLIAM M. WISMER, A DEFENDANT, IN
OPPOSITION TO MOTION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION	:	
Plaintiff,	:	73 Civ. 5074
- against -	:	
CANADIAN JAVELIN LIMITED	:	<u>AFFIDAVIT</u>
JOHN C. DOYLE	:	
WILLIAM M. WISMER	:	
Defendants.	:	

-----X

CANADA
MINISTRY OF JUSTICE
OTTAWA
ATTORNEY GENERAL OF THE
UNITED STATES OF AMERICA

SS.

SS.:

WILLIAM M. WISMER, being duly sworn, deposes and
says:

1. I am President of Bison Petroleum & Minerals Limited ("Bison Petroleum"). I make this affidavit in opposition to the motion of Canadian Javelin Limited ("Javelin") for an order, pursuant to Local Civil Rule 14, adjudging me and George R. Bothwell, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre ("Respondents") in contempt of Court because of what is claimed to have been conduct on our part contrary to a Judgment of Permanent Injunction dated July 17, 1974 entered by this Court ("Judgment") and an accompanying Stipulation ("Stipulation") signed by me. Copies of the Judgment and

Stipulation are annexed hereto as Exhibits A and B, respectively.

2. Javelin's motion is based upon a sworn affidavit of Irving L. Golomb ("Golomb"), counsel for Javelin. Golomb states that on or about February 21, 1977, I sent a letter to the shareholders of Bison Petroleum enclosing a Notice of a meeting of such shareholders ("Notice") and an Information Circular relating thereto. Copies of my letter, the Notice and the Information Circular are annexed hereto as Exhibits C through E, respectively. (Golomb Affid., ¶8) Golomb claims that he has been advised that my letter and the enclosures were not reviewed by and sent at the direction of the "Compliance Committee" of Javelin (Golomb Affid., ¶10-11) and that transmission of such materials was, therefore, in violation of the Judgment and Stipulation. Golomb requests that I and the other Respondents be punished for this alleged contempt of Court by being required to pay fines to be fixed by the Court, as well as Javelin's counsel fees and its costs of this proceeding and the investigation, preparation and conduct thereof.

Judgment and Stipulation

3. As noted, Javelin's motion purports to stem from the Judgment of Permanent Injunction issued by this Court on July 17, 1974 and the related Stipulation. This Judgment arose out of a proceeding commenced in this Court

in December 1973 by the Securities and Exchange Commission ("Commission") against Javelin, John C. Doyle ("Doyle"), Javelin's founder, a director of Javelin and Chairman of Javelin's Executive Committee, and myself. Prior to May 1974, I was President of Javelin. The Commission's complaint, a copy of which is attached hereto as Exhibit F, charged Javelin, Doyle and me with violations of various of the federal securities laws. More specifically, the complaint alleged that such violations consisted of misleading public statements concerning the business of Javelin, particularly statements allegedly made concerning a Javelin project in Panama for the development of copper and a Javelin project in Newfoundland for the production of linerboard. (SEC Complaint, ¶¶ 9-15, 16-19)

4. The action by the Commission, besides resulting in the Judgment and a Consent thereto by Javelin, also resulted in a Judgment of Permanent Injunction against Doyle and Doyle's Consent thereto. The Commission complaint was dismissed as to me and no judgment of permanent injunction was entered against me, although I entered into the Stipulation whereby I agreed, subject to the contempt powers of this Court, to various undertakings in connection with Javelin, its subsidiaries and its affiliates.

5. Item V of the Stipulation provided that I would not engage in the dissemination of information to the

public without the prior approval of and at the direction of of Javelin's standing Compliance Committee as described in Item IV of the Judgment. It is this undertaking upon which Javelin's present motion is purportedly based.

Subsequent Events

6. By way of background, it is helpful to note that substantial developments have taken place concerning Javelin, Doyle and myself since the Commission's action was terminated by the Judgment and Stipulation. Doyle, who now resides in Panama, has since 1967 been a fugitive from justice arising out of a guilty plea for criminal violation of the Securities Act of 1933. Doyle has also recently been the subject of a further lawsuit commenced by the Commission regarding the affairs of Canadian Javelin in the United States District Court for the District of Columbia. Doyle is consultant to a wholly-owned subsidiary of Javelin and is the largest single shareholder of Javelin, holding approximately 18.2% of the shares of Javelin. As such, Doyle can be considered to be a controlling person of Javelin.

7. By contrast, I have held no office or other position with Javelin since July 30, 1976, when, together with certain other Javelin Directors, I was ousted from Javelin's management by Doyle and his nominees when Doyle and his nominees resumed control of the management of Javelin.

8. Before and since June 1976, there has been extensive litigation in the Canadian courts between the

present management of Javelin, consisting of Doyle and his nominees, and the former Javelin management including myself, which was ousted when Doyle and his nominees resumed control. Amongst other things, Bison Petroleum, of which I am now President, and which is a former Javelin subsidiary and a substantial creditor of Javelin, has authorized a petition to be filed in the Canadian courts to wind up Javelin and to have a liquidator appointed for Javelin.

9. Considerable litigation between these same two factions has also taken place concerning the affairs of Bison Petroleum, which prior to February 22, 1977, was a Javelin subsidiary. For example, Javelin recently commenced a proceeding in the Canadian courts seeking a court order requiring Bison Petroleum to call a special general meeting of the Bison Petroleum shareholders. As a result of this proceeding commenced by Javelin, an order was entered on February 9, 1977 by the Honorable Justice Keith of the Supreme Court of Ontario directing Javelin to request a meeting and directing Bison Petroleum to call a shareholders meeting on or before March 16, 1977 pursuant to such request. A copy of Justice Keith's Order of February 9, 1977 is annexed hereto as Exhibit G. It was pursuant to such Order that the materials of which Javelin now complains were distributed by me to the shareholders of Bison Petroleum.

10. At the time my letter of February 21 and the materials accompanying such letter were

distributed to the Bison Petroleum shareholders, Bison Petroleum was no longer a subsidiary of Javelin and, therefore, transmission of such letter and the accompanying materials did not come within the terms of the Judgment and Stipulation so as to require clearance by the Javelin Clearance Committee.

Javelin loss of control over Bison Petroleum

11. On February 21, 1977, the Boards of Directors of Bison Petroleum and Dominion Jubilee Corporation Limited ("Dominion Jubilee"), by independent quorums and majorities of Directors, approved a transaction whereby Bison Petroleum agreed to purchase from Dominion Jubilee its wholly-owned subsidiary Jubilee Quebec Holdings Limited. It should be noted that approximately 18% of the stock of Dominion Jubilee, of which I am President, is owned by Javelin.

12. This transaction between Bison Petroleum and Dominion Jubilee involved the issuance by Bison Petroleum of 3,276,287 shares of Bison Petroleum to Dominion Jubilee. On February 21, 1977, the Board of Directors of Bison Petroleum authorized the allotment and issuance of the shares in question. The transaction was then incorporated into an agreement which was executed by the companies involved under their corporate seals dated February 22, 1977 and, in fact, signed prior to 10:00 a.m. on the morning of February 22, 1977. My letter dated February 21 and the materials enclosed therein

were not mailed to any of the shareholders of Bison Petroleum until the afternoon of February 22, 1977, after Dominion Jubilee became the owner of the Bison Petroleum stock.

13. After Justice Keith entered his Order requiring that a Bison Petroleum shareholders meeting be held, I consulted with counsel for Bison Petroleum to determine whether the transmission of materials required by such Order would be in violation of the Judgment and Stipulation. Based upon his review of the papers relating to the Judgment and Stipulation, such counsel advised me that the distribution of my letter of February 21 and the accompanying materials would not be in violation of such Judgment and Stipulation because, in light of the issuance of Bison Petroleum stock to Dominion Jubilee, Bison Petroleum was no longer, at the time I sent my letter of February 21 and the attached materials, a subsidiary of Javelin. Such counsel has since confirmed this opinion in writing, a copy of which opinion I attach hereto as Exhibit H.

14. The transmission of such letter and accompanying materials was not contrary to the terms of the Judgment and Stipulation, which did not restrict public disclosure of information by companies which were not Javelin subsidiaries under Javelin control, but were mere affiliates of Javelin. By way of background, the Judgment states that Javelin is enjoined from misleading statements concerning, inter alia,

mineral concessions of Javelin's "subsidiaries or affiliates" (Judgment, ¶ I(a)(4)), or the business operations of its "subsidiaries or affiliates" (Judgment, ¶ I(A)(13)). The judgment further states that Javelin is enjoined from fraud in connection with the sale of stock of its "subsidiaries or affiliates" (Judgment, ¶ I(C)). The Judgment also requires that a registration statement be in effect as to any sale by Javelin of shares in "its subsidiaries or affiliates" (Judgment, ¶ II(a)) or any offer of shares in "its subsidiaries or affiliates" (Judgment, ¶ II(b)). Similarly, the Judgment requires that 40% of the Javelin Board be independent directors meeting criteria satisfactory to the Commission, including the requirements that they not be under the control of Javelin or its "subsidiaries or affiliates" (Judgment, ¶ IV(3)(c)). And the Judgment requires an agent to be appointed for service of administrative process relating to Javelin "or its subsidiaries or affiliates" (Judgment, ¶ IV(4)).

15. In all of these cases, therefore, the terms of the Judgment are expressed in terms of requirements relative to Javelin, its subsidiaries or affiliates. In paragraph IV(5) of the Judgment, however, which is the paragraph relating to clearance of public information with the Javelin Clearance Committee, the terms of the requirements set forth therein are limited to information disseminated by "Javelin

or any of its subsidiaries". (Judgment ¶ IV(5)) By the same token, paragraph IV(7), which calls for the naming of a special outside counsel to the Standing Committee to review public information releases, states that such special counsel shall review "the dissemination of all information to the public by Javelin or any of its subsidiaries...." (Judgment, ¶ IV(7)) The conclusion is inescapable, therefore, that the Judgment provisions relating to the clearance of public information were not as far reaching as the other paragraphs of the injunction, and related only to Javelin subsidiaries, as opposed to Javelin affiliates.

16. Analysis of the terms of the Stipulation leads to the same conclusion. Paragraphs II(A)(1), II(A)(4), II(A)(13), II(C), III(a), III(b) and IV of the Stipulation all specifically relate to Javelin, its subsidiaries and its affiliates. In paragraph V, however, dealing with public information releases, reference is made solely to Item IV of the Judgment, which, as noted above, concerns only Javelin and its subsidiaries. In short, my undertaking in Item V was limited only to releases of subsidiaries of Javelin, i.e., companies which Javelin controlled and of which it owned over 50% of the stock.

17. In summary, under Part IV of the Judgment, to which my undertaking in paragraph V of the Stipulation relates, review by the Compliance Committee is limited to

information disseminated by Javelin or its subsidiaries. In this context, the only logical definition of subsidiary is a company over which Javelin has control, including more than a 50% ownership of such company. Since Javelin did not own over 50% of Bison Petroleum stock when my letter was sent, such letter did not fall within the terms of the Judgment or Stipulation.

18. That this was the intent of the Judgment and Stipulation, moreover, is shown by the manner in which the Judgment has been administered by the parties thereto, including the Commission and the Javelin Compliance Committee. I have been President of Norlex Mines Limited ("Norlex"), an affiliate of Javelin, since mid-1974. Since 1974, Javelin has owned approximately 18% of the outstanding stock of Norlex. Despite such substantial Javelin stock ownership in Norlex, to the best of my belief no public statements or letters to shareholders or any other documents of Norlex have ever been reviewed or disseminated by the Javelin Compliance Committee. The same is true to the best of my belief with respect to the public statements, letters to shareholders and any other public reports of Dominion Jubilee, of which I have also been President since before 1973. This is so despite the fact that Javelin during such period has owned approximately one-third of the outstanding stock of Dominion Jubilee.

19. Under these circumstances, it is respectfully submitted that my letter of February 21, of which Javelin complains, did not constitute a violation of this Court's Judgment or the Stipulation relating thereto, since Bison Petroleum at the time such letter was sent was not a subsidiary of Javelin and was not subject to the control of Javelin or its management.

20. It should also be clear from the attached exhibits that Javelin has no legitimate basis on which to object to the materials circulated to the Bison Petroleum shareholders, since it was Javelin itself which sought the Bison Petroleum shareholders meeting for which such materials were distributed.

21. As is clear from the Golomb affidavit itself, what Javelin really objects to is the acquisition by Dominion Jubilee of the Bison Petroleum shares and Javelin's corresponding loss of control over Bison Petroleum. (Golomb Affid., ¶ 21) Javelin has attempted, incidentally, in the Supreme Court of Ontario, to obtain an injunction restraining Dominion Jubilee from exercising any rights as to the shares transferred to Dominion Jubilee under the agreements of February 22, 1977. Mr. Justice Hughes dismissed that motion. At the same time, Javelin commenced an identical proceeding in the Superior Court of Quebec, which proceeding was also dismissed. Finally, Javelin commenced a third

proceeding, also in the Superior Court of Quebec, which proceeding is now in progress. Such acquisition of shares being a matter of Canadian law, Javelin has tried but to date has failed to stop such acquisition of stock in the Canadian courts. Having failed, Javelin now attempts improperly to use this Court's process in connection with the same manner. This attempt should be denied.

Golomb Affidavit

22. Several incorrect and seriously misleading statements made by Golomb in his affidavit must be corrected. First, Mr. Golomb implies that at the time of my communication with the Bison Petroleum shareholders, Javelin owned 61.2% of the outstanding shares of Bison. As shown above, this statement is incorrect. At the time my letter to Bison Petroleum shareholders was sent, Dominion Jubilee was the largest single shareholder of Bison Petroleum and Javelin owned only approximately 34.5% of the total issued and outstanding shares of Bison Petroleum. Mr. Golomb's statement that Bison Petroleum was a subsidiary of Javelin is, therefore, incorrect. Mention should also be made of the fact that Mr. Golomb's citation of Section 6A of the Securities Act makes no sense, since there is no such section, and is apparently just another attempt to mislead the Court.

23. In fact, the underlying basis for Javelin's motion -- that Bison Petroleum was a Javelin subsidiary when

my letter went out -- is dispelled by the statements in Golomb's own affidavit. For instance, in paragraph 21 of his affidavit, Golomb admits that Javelin has lost control of Bison Petroleum. Under these circumstances, it is difficult to understand how Javelin can complain that the activities of a company not under its control are subject to the provisions of the Judgment entered by this Court against Javelin, which provisions are by their very terms limited to subsidiaries of Javelin.

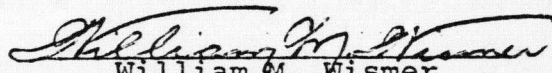
24. Similarly, Golomb's statement that I was the President of Javelin at the time of the entry of the Judgment by this Court is incorrect. Golomb, as long-time counsel to Javelin, is only too aware that I resigned as President of Javelin in late May 1974, long prior to the entry of such Judgment.

Other Repondents

25. No basis whatsoever is stated by Mr. Golomb to support this claim that Respondents other than myself should be held in contempt of court. None of such Respondents were party to the Commission action before this Court and none entered into any agreement whatsoever relating to such proceeding. Most important, the letter of February 21 was sent solely on my own initiative as President of Bison Petroleum and not at the direction or with the approval of the other directors of Bison Petroleum. Under these circum-

stances, even were my letter to the Bison Petroleum shareholders in violation of the Judgment or Stipulation, which it was not, such letter could not reasonably form the basis for a finding of contempt as to the other Respondents, who were not even aware that such Letter was being sent to the Bison Petroleum shareholders.

26. Based upon the above considerations, it is respectfully submitted that there is no basis for the alleged contempt of Court asserted by Golomb in his affidavit and that, accordingly, Javelin's motion should be dismissed, together with all costs of this proceeding, including reasonable attorneys' fees.


William M. Wismer

Sworn to before me this
2nd day of May, 1977



Notary Public

Mary Eileen Welch, Consul of
the United States of America



Exhibit A - Annexed to Affidavit of William M.
Wisner, sworn to May 2, 1977

EXHIBIT A - Judgment of Permanent Injunction with consent of
John C. Doyle annexed thereto.

Identical to Exhibit I annexed to Order to Show Cause to Ad-
judge in Contempt printed herein at pages A-5 - A-13.

Exhibit B - Annexed to Affidavit of William M.
Wisner, sworn to May 2, 1977

EXHIBIT B - Stipulation as to William M. Wisner.

Identical to exhibit to Exhibit II annexed to Order to Show
Cause to Adjudge in Contempt printed herein at pages A-20 - A-24.

Exhibit C - Annexed to Affidavit of William M.
Wisner, sworn to May 2, 1977

EXHIBIT C - Letter of William M. Wisner to Bison Petroleum &
Minerals Limited Shareholders, dated February 21, 1977

Identical to Exhibit III annexed to Order to Show Cause to Ad-
judge in Contempt printed herein at pages A-40 - A-46.

Exhibit D - Annexed to Affidavit of William M.
Wisner, sworn to May 2, 1977

EXHIBIT D - Notice of Special General Meeting of Shareholders,
dated February 21, 1977.

Identical to Exhibit IV annexed to Order to Show Cause to Ad-
judge in Contempt printed herein at page A-47.

Exhibit E - Annexed to Affidavit of William M.
Wisner, sworn to May 2, 1977.

EXHIBIT E - Information Circular as of February 15, 1977.

Identical to Exhibit V annexed to Order to Show Cause to Ad-
judge in Contempt printed herein at pages A-48 - A-54.

EXHIBIT F TO WISMER AFFIDAVIT - SUMMONS AND
COMPLAINT FOR A PRELIMINARY AND PERMANENT
INJUNCTION, APPOINTMENT OF A SPECIAL RECEIVER,
AND OTHER ANCILLARY RELIEF

73 CIV. 5074

JUDGE MAC MAHON

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
Plaintiff,	:	73 Civil Action
	:	File No.
v.	:	
	:	SUMMONS
CANADIAN JAVELIN LIMITED,	:	
JOHN C. DOYLE,	:	
WILLIAM M. WISMER,	:	
	:	
Defendants.	:	

To the above named Defendants:

You are hereby summoned and required to serve upon William D. Moran, Regional Administrator, plaintiff's attorney, whose address is 26 Federal Plaza, New York, New York, 10007, an answer to the complaint which is herewith served upon you, within 20 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

/Raymond F. Burghardt
Clerk of Court

/B. Edwards
Deputy Clerk

[Seal of Court]

Dated: November 29, 1973

NOTE: This summons is issued pursuant to Rule 4 of the Federal Rules of Civil Procedure

UNITED STATES DISTRICT COURT
FOR THE
SOUTHERN DISTRICT OF NEW YORK

73 CIV 5074

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

v.

CANADIAN JAVELIN LIMITED

JOHN C. DOYLE

WILLIAM M. WISMER

Defendants.

JUDGE MACMATHON
COMPLAINT FOR A
PRELIMINARY AND
PERMANENT INJUNCTION,
APPOINTMENT OF A
SPECIAL RECEIVER,
AND OTHER ANCILLARY
RELIEF

FILED
U.S. DISTRICT COURT
NOV 29 3 01 PM '73
S.D. N.Y.

The plaintiff SECURITIES AND EXCHANGE COMMISSION ("COMMISSION"),
based on information and belief, alleges that:

1. Defendants CANADIAN JAVELIN LIMITED, JOHN C. DOYLE and
WILLIAM M. WISMER have engaged, are now engaged and are about to
engage in acts and practices which constitute and will constitute
violations of Sections 5 and 17(a) of the Securities Act of 1933
("Securities Act"), 15 U.S.C. 77e and 77q(a), Sections 10(b) and
13(a) of the Securities Exchange Act of 1934 ("Exchange Act"),
15 U.S.C. 78j(b) and 78m(a), and Rules 10b-5, 12b-20, 13a-1 and 13a-13,
17 CFR 240.10b-5, 17 CFR 240.12b-20, 17 CFR 240.13a-1 and 17 CFR
240.13a-13, promulgated thereunder.

2. Pursuant to the authority granted to it by Sections 10(b),
13(a) and Section 23(a) of the Exchange Act, 15 U.S.C. 78j(b), 15 U.S.C.
78m(a), and 15 U.S.C. 78w(a) respectively, the Commission has promulgated
the rules enumerated in paragraph one and incorporated herein by
reference, and said rules were in effect at all times mentioned herein
and are now in effect.

JURISDICTION AND VENUE

3. The Commission brings this action pursuant to Section 20(b) of the Securities Act, 15 U.S.C. 77t(b), and Section 21 of the Exchange Act, 15 U.S.C. 78u, to enjoin such acts and practices.

4. This Court has jurisdiction of this action pursuant to Section 22(a) of the Securities Act, 15 U.S.C. 77v(a), and Section 27 of the Exchange Act, 15 U.S.C. 78aa.

5. Certain of the acts, practices, courses of business and transactions constituting violations of the Securities Act and the Exchange Act have occurred within the Southern District of New York. Such activities were effected by making use of the means and instrumentalities of interstate transportation and commerce and of the mails.

THE DEFENDANTS

6. CANADIAN JAVELIN LIMITED ("CJV") is a Canadian corporation with its executive offices located in Montreal, Canada. Through its subsidiaries and affiliates it is engaged primarily in the business of locating and developing mineral and other natural resources. Although CJV's primary source of revenue is derived from iron ore royalties, its current focus of attention is on a copper prospect in Panama. It has other mineral interests in Ethiopia, Mexico, El Salvadore, Chile and Newfoundland. The company reports assets of approximately \$79 million as of June 30, 1973 and has approximately 6.5 million shares of common stock outstanding. It is believed that at least 75% of the public float of CJV's shares are owned by United States residents. The stock is listed for trading on the American, Montreal and Vancouver Stock Exchanges and is registered pursuant to Section 12(b) of the Exchange Act, 15 U.S.C. 781(b). There has never been an effective registration statement pursuant to the Securities Act with respect to any shares of CJV. The company reported 12,718 shareholders of record as of December 30, 1972. On September 25, 1953 the United States District Court for the Southern District of New York issued a final judgment permanently enjoining CJV, certain of its

officers including DOYLE and others, from violating the registration provisions of the Securities Act and the anti-fraud provisions of the Securities Act and the Exchange Act. That action stemmed from Commission charges that sales of unregistered CJV stock were being made in the United States through telephone calls from "boiler rooms" in Montreal. In that action false representations were made concerning the size of the iron-ore reserves at its Labrador project and the representations were accompanied by predictions that the stock would quickly rise in value. The claims failed to disclose that large sums of money would be needed to develop the ore reserves and that CJV did not have the financial resources to develop them. The company consented to the injunction, without admitting the charges, and agreed to obey the United States securities laws and to list its common stock on the American Stock Exchange (AMEX). Since that date trading in CJV's common stock has been suspended numerous times for the reasons set out in subsequent paragraphs.

7. JOHN C. DOYLE ("DOYLE"), CJV's founder, is a director and chairman of its Executive Committee. He owns 20% of its outstanding stock, and as CJV's chief executive officer, dominates its policies. DOYLE was enjoined from further securities violations by the United States District Court for the Southern District of New York in 1958. On February 5, 1965 Doyle pleaded guilty in the United States District Court for Connecticut to violations of the registration provisions of the Securities Act in connection with those sales of CJV stock. He was sentenced to serve three years in prison, 33 months of which were suspended. He refused to surrender himself to United States officials and jumped bail. Presently he is a fugitive from justice. DOYLE presently maintains residences in Panama City, Panama, and Montreal, Canada.

8. WILLIAM M. WISNER ("WISNER") is president of CJV. A lawyer and Queens Counsel, he has been with CJV since 1967. He also has been vice-president and a director of Draper, Dobie & Company Limited in Toronto, a broker-dealer in securities. He has been vice-president

of the Toronto Stock Exchange, general counsel and secretary to the Broker Dealers Association of Ontario and on the legal staff of the Ontario Securities Commission. WISMER, a Canadian citizen, currently resides in Montreal.

SIGNIFICANT BACKGROUND INFORMATION

THE PANAMA PROJECT

9. On or before 1969 CJV and its subsidiaries began touting CJV's mineral concession in Panama. The basic facts appear to indicate that CJV through its subsidiaries have located large low grade copper mineralization in the Cerro Colorado area of Panama. Since that time numerous statements have appeared concerning CJV's ability to develop and exploit this prospect. As more specifically alleged in subsequent paragraphs, great doubts exist concerning material facets of that project. The defendants have made so many materially false and misleading statements concerning the project that at the present time it is impossible to ascertain true state of affairs. There has been little if any meaningful disclosure concerning: CJV's present right to exploit the project; the commercial feasibility of the project; the amount and availability of the requisite financing to engage in meaningful construction of production facilities; and the timing of the future development of the project.

10. During this same period, however, trading in the common stock of CJV has been materially affected by the defendants' false and misleading statements. Since January 1, 1970, the AMEX has halted or delayed trading in CJV stock on at least 5 different occasions because of the lack of information concerning the Cerro Colorado project. These halts by the AMEX have generally been preceded by a large volume of trading in CJV shares with attendant price fluctuations. In almost every instance trading was set off by false and misleading statements of the defendants.

11. The Commission suspended trading in CJV's common stock from the period of March 15, 1971 until August 9, 1971 because of lack of adequate information concerning the Cerro Colorado project. This same pattern emerged again in June 1973. Trading in CJV's stock was halted by the AMEX because of statements attributed to a Panamanian official concerning CJV's lack of a legal right to exploit its concession. The defendants since mid-June have made and caused to be made numerous false and misleading statements. This release of these statements was accompanied by an increase in the volume and price of CJV's stock. For example, during the first six months of 1973 the price of CJV's shares fluctuated from a low of approximately $5 \frac{7}{8}$ to a high of approximately $9 \frac{1}{2}$. On Friday, July 6, 1973, the shares closed at $7 \frac{1}{4}$.

12. During the week ending July 13, 1973 trading in the shares was very active and closed at $9 \frac{7}{8}$, a gain over the previous week of $2 \frac{1}{2}$. During the following two weeks active trading pushed the price up an additional $3 \frac{1}{2}$ points, closing on Friday, July 27, 1973, at $13 \frac{3}{8}$. The false and misleading press releases of July 5 and July 17, 1973 described in paragraphs 23 and 24 below were issued by the company during that price rise.

13. During August 1973 the stock did not vary greatly in price, closing on Friday, August 31, 1973 at 13. During the following two week period in which the August 31, 1973 and the September 6, 1973 press releases described in paragraphs 25 and 26 below were issued, the stock was extremely active and rose five points, closing on Friday, September 14, 1973, at 18. During the following two weeks, the shares were again heavily traded and closed on Friday, September 28, 1973, at $15 \frac{3}{4}$.

14. During the nine month period ending September 30, 1973 approximately 2,400,000 CJV shares were traded on the Amex at prices ranging from $5 \frac{7}{8}$ to 13. Of this total approximately 1,800,000 shares (or 75%)

were traded during the 3 months ending September 30, 1973 during which period most of the false and misleading statements were made or caused to be made by the defendants.

15. On October 25, 1973, the AMEX again halted trading of CJV's stock because of allegations that CJV had falsely claimed in a July 5, 1973 press release that a CJV subsidiary had been granted certain mineral concessions that in fact had not been granted. That halt in trading still exists.

THE LINERBOARD PROJECT

16. On Christmas Day 1968, the Newfoundland Government announced that it had approved an expanded CJV project to produce linerboard in Stephenville, Newfoundland. The total predicted cost of the project was some \$150 million, with \$53 million of that amount to be guaranteed by the government. From that date until early January 1972, the defendants made many false and misleading statements concerning the size and profitability of that project, the financing necessary to bring it into production and the problems associated with the commencement of that production, all as more fully set forth below.

17. For example, CJV's annual reports to shareholders for the years 1968 through and including 1970 extolled the virtues of the Newfoundland project. The 1968 report characteristically chimed that production would begin in 1971. The 1969 annual report indicated that CJV in the future was going to produce direct income from its resources rather than be dependent on income from royalties. The linerboard plant was to implement that new policy. The linerboard plant was to be one of the world's largest and one of the most up-to-date. Again, in the 1970 annual report the defendants pompously promenade the project before the public. No serious problems were mentioned.

18. During 1971, CJV still did not indicate in its public filings or otherwise that it was experiencing material difficulties with the linerboard project. Serious problems were encountered in obtaining the necessary financing and keeping within the cost projections.

19. In early 1972, the Newfoundland Government announced its intentions to take over the project. The Commission again suspended trading in CJV stock from the period March 4, 1972 until August 1972 because of the lack of information concerning this takeover and the reasons therefor. On May 1, 1972 CJV and the Newfoundland Government agreed the government would purchase the project from CJV. Later in May, CJV mailed to its shareholders a statement setting forth CJV's views of the takeover. In that document, many of the previously existing problems were revealed for the first time to the shareholders and the public. This document, utilized by the protean defendants to justify their new position vis-a-vis the project, makes it clear that CJV's prior optimistic disclosures concerning the project were inaccurate and misleading. No explanation was given why such material factors had not previously been disclosed.

COUNT I

Section 10(b) of the Exchange
Act and Rule 10b-5 Thereunder

20. The allegations in paragraphs 1 through 19 of this complaint are realleged and incorporated herein by this reference.

21. Commencing on or about November 1969, and prior thereto and continuing to the date hereof, in the Southern District of New York and other parts of the United States, the defendants CJV, DOYLE and WISMER and other persons, singly and in concert, directly and indirectly and aiding and abetting each other, in connection with the purchase and sale of securities by the use of the mails and the means and instrumentalities of interstate commerce have been and are now (1) employing schemes, devices and artifices to defraud, (2) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, and (3) engaging in acts, practices and a course of business which have operated and would operate as a fraud and deceit upon purchasers and sellers of such securities in violation

of Section 10(b) of the Exchange Act, 15 U.S.C. 78j(b), and Rule 10b-5, 17 CFR 240.10b-5, thereunder as more fully alleged in paragraphs 22 thru 31.

The Dissemination Of False and
Misleading Material Information

22. Subsequent to the trading halt by the American Stock Exchange on June 20, 1973, defendants CJV, DOYLE and WISNER continued to disseminate and cause to be disseminated to public shareholders of CJV and others in a series of press releases and otherwise false and misleading statements of material facts, and omissions of material facts concerning the financial condition and business operations of CJV as described hereafter in paragraphs 23 through 30.

23. In a press release of June 22, 1973, numerous untrue statements of material facts and material omissions were made concerning, among other things, the following:

- (a) an alleged statement by a minister of the Government of Panama, allegedly agreeing with and confirming CJV's claim that CJV had discovered one of the "world's largest copper mines" in the Cerro Colorado area of Panama, when in fact no such statement of agreement and confirmation had been made;
- (b) CJV's claim to have delineated one of the world's largest copper mines in the Republic of Panama;
- (c) CJV's present right to exploit any copper discovery in the Republic of Panama, when no such right exists;
- (d) the impact of the Republic of Panama's proposed mining legislation on CJV's right, capacity and ability to exploit any copper discovery in the Republic of Panama;
- (e) CJV's "moving from the exploration stage (of any copper discovery) to that of construction," while in fact whatever construction had taken place was only incidental to exploration;

- (f) the imminence of the beginning of the construction referred to in subparagraph (e), in this paragraph;
- (g) the assurances of long term sales of blister and copper concentrates by CJV to others; and
- (h) the date of the establishment of a mining and milling installation.

23A. Similarly, in a press release of July 5, 1973, issued by Bison Petroleum and Minerals, Ltd., a 60% owned subsidiary of CJV, claims were made regarding the granting by the Government of Panama of a large mineral concession in another area of Panama. The release, among other things, touted that the concession contained "gold, silver and other metals - - - (and) numerous strong gold bearing vein structures." It went on further to tout the size and extent of the "gold bearing vein structures," as well as estimating 115,000 tons of gold bearing ores with a content of "one quarter to one third of an ounce per ton" of gold. Whether there was any basis in fact for such fantastic claims is unknown. No grant of any such concession had been made, a fact admitted by CJV in an October 28, 1973 release. The patent falsity of this release, similar to the others, demonstrates the defendant's proclivity for a lack of candor. This release, like the others, claims that CJV's subsidiaries have the right to exploit the concession. Obviously, it is impossible to exploit something that does not exist.

24. Again, in a press release of July 17, 1973, the pattern continued. Additional untrue and misleading statements of material facts were made concerning:

- (a) the present state of negotiations with the Republic of Panama concerning CJV's right, capacity and ability to exploit any mineral discoveries in the Republic of Panama;
- (b) CJV's present right to exploit any mineral discovery;
- (c) the availability and favorability of forthcoming commercial feasibility studies;

- (d) the granting of mineral concessions to CJV, or its subsidiaries;
- (e) the existence and imminent initiation of a plan to produce copper from its mineral concessions in the Republic of Panama;
- (f) the placing into production of the Cerro Colorado copper project "as soon as possible" without disclosing the dubious nature of CJV's right to produce, the impact of proposed legislation on such production and the need for massive financing to commence such operations;
- (g) the "completion of necessary sales and financing arrangements" related to the Cerro Colorado copper project; and
- (h) the existence of commercially exploitable deposits of copper;
- (i) CJV's intention to start construction of production facilities at its Cerro Colorado deposit in Panama in the month of August.

25. On August 31, 1973, the defendants stepped up the flurry of false and misleading statements by issuing a press release about the proposed use of geological reports to finalize arrangements for the sales of the product of the Cerro Colorado project when in fact no "arrangements" existed which could be "finalized."

26. On September 6, 1973 in furtherance of this fraudulent course of business CJV issued still another press release saturated with materially untrue and misleading statements concerning:

- (a) the ownership interest of "the famous worldwide mining group led by Anglo-American Corporation of South Africa Limited which includes DeBeers Consolidated" which CJV stated was "now the second largest shareholder of Canadian Javelin

Limited" when in fact neither this famous worldwide mining group nor DeBeers Consolidated purchased any shares of or had any interest in CJV, and only Anglo-American Corporation purchased the stock in its own name;

- (b) the interest in and ownership by other companies in the activities or stock of CJV;
- (c) the assurances of long-term sales contracts; and
- (d) the location of a plant to smelt the ores that might be produced from the Cerro Colorado discovery.

27. Another instance of violative conduct occurred on September 19, 1973. On that date, a press release was issued that was false and misleading concerning:

- (a) a letter of intent signed by CJV and British Kynoch Metals Limited representing other large European industrial companies "relating to the purchase of the entire initial output of metallic copper (blister) of Javelin's Cerro Colorado copper project in the Republic of Panama." In fact, contrary to the tenor of the release, the letter of intent is merely a letter of intent to negotiate the future purchase of copper;
- (b) the existence and terms of any letters of intent to sell any anticipated mineral production; and
- (c) the time which will pass prior to any copper production from the Cerro Colorado project in the Republic of Panama.

28. The statements made in this continuous chain of hyperbolic press releases reveal the existence of a course of business that would, did and will operate as a fraud and deceit upon present and prospective purchasers and others of CJV's securities. The releases taken together

as well as simply, create the impression that CJV:

- (a) has an immediate right to exploit its alleged copper discovery;
- (b) has definitive commercial feasibility studies concerning the mining of the project;
- (c) is "finalizing" and "completing" financial arrangements to begin immediate mining and production of the copper; and
- (d) has "finalized" and "completed" arrangements to sell the entire output of the project.

As set out above, such statements are materially false and misleading. The exact nature of CJV's exploitation rights, if any, is highly speculative. At best, such rights must wait for and be based on a mining code not yet promulgated. Even if such rights exist, the defendants in the releases have led investors to believe that production is imminent. In fact, however, no final commercial feasibility study exists, although it has long been promised and touted; no firm financial arrangements exist, although they have long been characterized as in the "completion" stage; and although no agreement exists to sell any eventual product, and only preliminary negotiations have begun, the defendants have led the investing public to believe that sales agreements for the entire product have been completed.

29. As a further part of the fraudulent course of conduct referred to in paragraph 21, the defendants in this Count I' from on or before November 1969 until the present disseminated, and caused to be disseminated numerous false and misleading statements about CJV's linerboard mill project located at Stephenville, Newfoundland, and associated wood harvesting operations in Labrador concerning, among other things:

- (a) the size of that project;
- (b) the profits to be derived from that project by the company;

- (c) the production quality and quantity of the project;
- (d) the requisite financing available and needed for the project;
- (e) the true cost of the project;
- (f) the commercial feasibility of the project;
- (g) certain disputes between the Newfoundland Government and CJV concerning the linerboard and associated wood harvesting project;
- (h) the massive amounts of financing requested and received from the Newfoundland Government;
- (i) the necessity, use, and true disposition of the monies referred to in subparagraph (h); and
- (j) other items of similar purport and object.

30. The striking parallel between these false and misleading statements and those concerning the Panama project in its initial stages raises grave concern regarding CJV's current activities. Similar to the present Panama project, that project was described as one of the world's largest, and one of the most profitable, all in superlative language more fit for suitable use by midway carnival hawkers than responsible officials of publicly held companies.

31. By reason of the activities described in paragraphs 1 through 30 above, defendants CJV, DOYLE and WISNER, singly and in concert, directly or indirectly, violated, are violating, and will violate, or aid or abet others in violating the provisions of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

COUNT II

Violation of Section 17(a) of
the Securities Act, 15 U.S.C. 77a(a)

32. Paragraphs 1 through 30 are hereby realleged and incorporated herein by this reference.

33. Commencing on or before November 1969, and continuing to the date hereof, in the Southern District of New York and in other parts of the United States, defendants CJV, DOYLE and WISNER, and other persons,

directly and indirectly, singly and in concert and aiding and abetting each other, in the offer and sale of securities, by use of the means and instruments of transportation and communication in interstate commerce and of the mails, have been and are now (1) employing devices, schemes and artifices to defraud, (2) obtaining money and property by means of untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, and (3) engaging in transactions, practices and a course of business which have operated, are operating and would operate as a fraud and deceit on the purchasers and prospective purchasers of such securities, in the manner and means as set forth in paragraphs 22 through 30 above, in violation of Section 17(a) of the Securities Act, 15 U.S.C. 77q(a).

COUNT III

Section 5 of the Securities Act 15 U.S.C. 77e

34. Paragraphs 1 through 30 are hereby realleged and incorporated herein by this reference.

35. Since on or before July, 1958, and continuing to the present, CJV, DOYLE, WISMER, and others, singly and in concert, and aiding and abetting each other have been offering, selling and delivering after sale securities of CJV by the use and means of instrumentalities of interstate commerce, and of the mails.

36. There has never been a registration statement regarding any securities of CJV declared effective by the Commission pursuant to the Securities Act.

37. The common stock of CJV is actively traded on the AMEX and it is believed that approximately 75% of the public float (or in excess of 50% of CJV's outstanding shares) of these securities is held by United States citizens and residents.

38. Plaintiff Commission has repeatedly attempted to ascertain the true nature of the circumstances attendant to the issuance of the securities of CJV, and whether such securities were

required to be registered. Commission efforts to obtain facts concerning these issues and other allegations contained in this complaint have been impeded by the inability to obtain the testimony under oath of DOYLE regarding CJV's affairs, and the unavailability of relevant witnesses and corporate records within the United States.

39. By reason of these activities, the defendants CJV, DOYLE, and WISMER have violated, are violating and are about to violate Section 5 of the Securities Act, 15 U.S.C. 77e.

COUNT IV

Violation of Section 13(a) of the Exchange Act, 15 U.S.C. 78m(a), and Rules 12b-20, 17 CFR 240.12b-20, 13a-1, 17 CFR 240.13a-1, and 13a-13, 17 CFR 240.13a-13 Thereunder

40. Paragraphs 1 through 30 are hereby realleged and incorporated herein by this reference.

41. Since on or about April 2, 1973 and continuing to the date hereof defendants CJV, DOYLE and WISMER and others singly and in concert, directly and indirectly, and aiding and abetting each other, filed and caused to be filed with the Commission certain reports pursuant to Section 13(a) of the Exchange Act, 15 U.S.C. 78m(a) and certain rules thereunder, which were false and misleading and omitted to state material facts necessary to make the statements made not false and misleading as more fully alleged in subsequent paragraphs of this Count IV.

Form 10-K

42. On April 29, 1973 the defendants filed and caused to be filed with the Commission and the Amex CJV's annual report on Form 10-K for the fiscal year ending December 31, 1972. The annual report misstated material facts and omitted to state certain material facts including but not limited to:

- (a) CJV's claim as a current asset some \$4.3 million allegedly due to CJV from the Government of Newfoundland. CJV did not disclose that the Government of Newfoundland had refused to acknowledge the claim. At no time since the initial assertion of the claim, has CJV taken steps to initiate

the process of arbitration necessary for them to establish any right to said sum. Without the inclusion of the \$4.3 million as a current asset in the Form 10-K financial statements for the fiscal year ending December 31, 1972, CJV would have reported a working capital position of approximately \$700,000 instead of the reported figure of approximately \$5 million.

By virtue of the above filing the defendants in this Count violated Section 13(a) of the Exchange Act, 15 U.S.C. 78m(a) and Rule 12b-20, 17 CFR 240.12b-20 and Rule 13a-1, 17 CFR 240.13a-1 thereunder.

Form 10-Q's

43. On May 16, 1973 and August 17, 1973, the defendants in this Count II filed and caused to be filed with the Commission and the American Stock Exchange quarterly reports on Form 10-Q for the periods ending March 31, 1973 and June 30, 1973, respectively, in violation of Section 13(a) of the Exchange Act, 15 U.S.C. 78m(a), and Rule 13a-13, 17 CFR 240.13a-13 and Rule 12b-20, 17 CFR 240.12b-20, thereunder. These reports contained statements of material facts which were false and misleading and omitted to state material facts necessary to make the statements made not false and misleading with respect to the claim by CJV as a current asset the \$4.3 million as explained in paragraph 42 above.

44. These false financial statements greatly enhanced the appearance of CJV's working capital position at a time when CJV was making an offering of securities and attempting to obtain additional financing for the Panama project.

NEED FOR A SPECIAL RECEIVER

45. Defendant CJV is now directed, managed and controlled by the defendants DOYLE and WISNER, and others, who were its dominating officers and directors at the time when the violations alleged in Counts I through IV occurred. As set out above the defendants have totally abrogated their

duties to the shareholders of CJV and the investing public. Defendant DOYLE, the dominant control person of defendant CJV has refused to give sworn testimony concerning CJV's financial status and business operations. Other key persons have been equally unavailable. This factor, coupled with CJV's history of issuing materially inaccurate and misleading press releases and filing materially inaccurate and misleading documents with the Commission reveals an abysmal pattern of total disregard for the defendants' obligations under the securities laws.

46. Unless an independent person is authorized by court order to see that the defendant CJV's reporting obligations are met and has control over the dissemination of information to the investing public, the defendants will continue their violative conduct and CJV's shareholders and others will be continually (1) deprived of material information concerning CJV's financial status and business operations; (2) forced to rely on the defendants' false and misleading statements concerning CJV's activities; and (3) will be denied the material information necessary to make any informed investment decision.

47. Additionally, due to the extensive foreign operations of the defendant CJV, a special receiver is needed to inquire into these operations wherever located and the financial status of CJV in order to report his findings to the Court and the Commission and to cause CJV to file with the Commission all amendments necessary to make CJV's filings comply with the federal securities statutes.

48. Furthermore, to protect investors a special receiver is also needed to inquire into and account for all prior sales of securities by CJV and to report to this Court and the Commission all material undisclosed facts concerning the issuance of those securities and whether or not the issuance of said securities was exempt from the registration provisions of the Securities Act.

WHEREFORE, plaintiff Commission respectfully demands:

I

A preliminary injunction and a permanent injunction enjoining defendant CJV, its officers, agents, servants, employees, directors,

successors, assigns, affiliates, subsidiaries and attorneys and defendants DOYLE and WISNER, their agents, servants, employees, attorneys, successors and assigns, and each of them and those persons in active concert or participation with them, from directly or indirectly, in connection with the offer, or purchase, or sale of securities, issued or to be issued, by defendant CJV, its subsidiaries or affiliates, or the securities of any other issues, making use of the means and instrumentalities of interstate commerce or of the mails to:

- A. Obtain money or property by making, or to make, materially false and misleading statements or to omit to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, concerning but not limited to:
- (1) the financial condition of CJV, its subsidiaries or affiliates;
 - (2) CJV's negotiations concerning the right, capacity and ability to exploit any mineral discovery;
 - (3) CJV's right to exploit any mineral discovery;
 - (4) the existence of any commercial feasibility study related to CJV's various business activities;
 - (5) the granting of mineral concessions to CJV, its subsidiaries, or affiliates;
 - (6) the potential impact of legislation which may adversely affect CJV's business activities;
 - (7) the stages of discussions with others to arrange for financing of CJV's various projects;
 - (8) the stages of discussions with others to arrange for the sale of the products of CJV's various projects;
 - (9) the interest of and ownership by others in the activities or assets of CJV;

- (10) the terms, conditions and timeliness of contracts or letters of intent with others;
- (11) the anticipated time needed before production on CJV's various activities can be meaningfully commenced;
- (12) the size of its various projects and developments;
- (13) the profitability of its various enterprises;
- (14) the requisite financing needed and available for any project or activity;
- (15) the relationship of CJV with various governments;
- (16) the business operations or capabilities of CJV, its subsidiaries, or affiliates; and
- (17) other items of similar purport and object.

B. Employ any device, scheme or artifice to defraud.

C. Engage in any act, practice or course of business which operates or would operate as a fraud and deceit upon any person.

II

A preliminary and permanent injunction restraining and enjoining the defendant CJV, its officers, directors, subsidiaries and affiliates, agents, servants, employees, successors and assigns and defendants DOYLE and WISMER, their agents, servants, employees, attorneys, successors and assigns and each of them from, directly or indirectly, singly or in concert, making use of the mails or the means and instruments of transportation and communication in interstate commerce, in the absence of applicable statutory exemptions;

- (a) to sell the securities of CJV or the securities of any other issuer through the use or medium of any prospectus or otherwise; or to carry or cause to be carried any security for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission with respect to such securities; and

- (b) to offer to sell the securities of CJV or the securities of any other issuer through the use or medium of any prospectus or otherwise unless and until a registration statement has been filed with the Commission with respect to such securities.

III

A preliminary and permanent injunction restraining and enjoining defendant CJV, its officers, agents, servants, employees, directors, successors, assigns, affiliates, subsidiaries and attorneys, and defendants DOWLE and WISNER, their agents, servants, employees, attorneys, successors and assigns, and each of them and those persons in active concert or participation with them from filing materially false and misleading annual and other periodic reports required to be filed with plaintiff Commission pursuant to Sections 13(a) and (b) and 15(d) of the Exchange Act.

IV

That this court exercise its jurisdiction over the activities of CJV to appoint a special receiver for CJV and authorize said receiver to take all necessary action to protect the interests of CJV, its shareholders and creditors with respect to the transactions set forth in this complaint or arising therefrom, including but not limited to the power to take appropriate steps to insure that CJV:

- (1) makes continuing full, complete and accurate public disclosure of all material events and facts concerning its activities;
- (2) makes timely and accurate filing of reports with the plaintiff Commission in conformity with Sections 13(a) and 15(d) of the Exchange Act and the rules promulgated thereunder including any necessary amendments; and
- (3) inquires into and account for all prior sales of its securities and thereafter reports to this Court and the

Commission all material facts concerning the issuance of those securities, and to set up procedures to assure prior to any future sales of securities compliance with the registration provisions of the Securities Act of 1933.

V

That this Court issue a mandatory injunction requiring defendant CJV to correct and amend its annual and periodic reports currently on file with the Commission so that they comply with the securities laws.

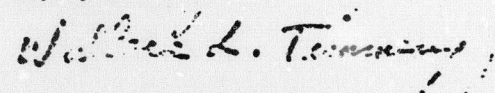
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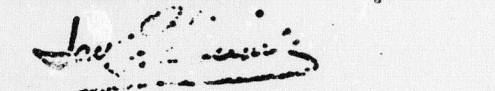
That this Court issue a mandatory order requiring defendant John C. Doyle to report to this Court and the Commission on a periodic basis all his transactions in the securities of CJV and its affiliates.

AND, for such other, further and different relief as this Court deems appropriate.

Respectfully submitted,


Stanley Sporkin
Deputy Director


Wallace L. Timmeny
Assistant Director


Larry B. Grimes
Branch Chief


W. Michael Drake
Attorney

Attorneys for Plaintiff
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Securities and Exchange Commission
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EXHIBIT G TO WISMER AFFIDAVIT - ORDER OF
SUPREME COURT OF ONTARIO

IN THE SUPREME COURT OF ONTARIO

IN THE MATTER of The Business
Corporations Act, R.S.O. 1970,
Chapter 53 as amended;

AND IN THE MATTER of BISON
PETROLEUM & MINERALS LIMITED;

AND IN THE MATTER of an appli-
cation under Section 111 of the
said Business Corporations Act
by CANADIAN JAVELIN LIMITED.

BETWEEN:

CANADIAN JAVELIN LIMITED

Applicant

- and -

BISON PETROLEUM & MINERALS
LIMITED

Respondent

O R D E R

CAMPBELL, GOLDBEY & LEWTAS
Barristers and Solicitors
P. O. Box 30
Toronto-Dominion Centre
Toronto, Ontario M5K 1C5

Solicitors for the Applicant.

IN THE SUPREME COURT OF ONTARIO

THE HONOURABLE MR. JUSTICE) WEDNESDAY, THE 9TH
)
KEITH) DAY OF FEBRUARY, 1977.

IN THE MATTER of The Business
Corporations Act, R.S.O. 1970,
Chapter 53 as amended;

AND IN THE MATTER of BISON
PETROLEUM & MINERALS LIMITED;

AND IN THE MATTER of an appli-
cation under Section 111 of the
said Business Corporations Act
by CANADIAN JAVELIN LIMITED.

B E T W E E N:

CANADIAN JAVELIN LIMITED

Applicant

- and -

BISON PETROLEUM & MINERALS LIMITED

Respondent

O R D E R

UPON motion made unto this Court on behalf of the
applicant Canadian Javelin Limited and upon hearing counsel
for Canadian Javelin Limited and Bison Petroleum & Minerals
Limited:

1. THIS COURT DOTH ORDER that The Honourable Mr.
Justice Keith shall remain seized of the application herein.
2. AND THIS COURT DOTH FURTHER ORDER that on consent
the application is adjourned to Friday, April 1, 1977 at
10:00 a.m. on the following terms:

(a) the applicant will forthwith deliver a requisition pursuant to Section 109 of The Business Corporations Act and the respondent will call a special General Meeting of the Shareholders in response to such requisition, to be held on or before, the 16th day of March, 1977;

(b) leave to file additional material if counsel so advise to assist in disposing of this motion on its future return, is granted to all parties.

M. B. Elliott

DEPUTY REGISTRAR S.C.O.

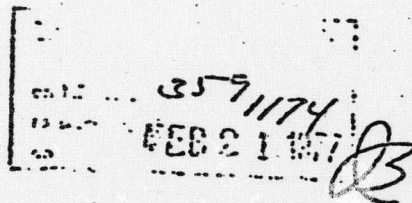


EXHIBIT H TO WISMER AFFIDAVIT - LETTER FROM
R.N. STARR TO WILLIAM M. WISMER DATED APRIL
28, 1977

GOODENOUGH, McDONNELL & BELL

BARRISTERS AND SOLICITORS

LAURENCE G. GOODENOUGH, O.C. WILFRED S. McDONNELL, O.C.
D. CASSON BELL TERRY K. ANDERSON

COUNSEL
NELLES STARR, O.C.

TELEPHONE: 363-8254
CABLE ADDRESS: "LEGALIS"

320 BAY STREET

TORONTO, CANADA
M5H 2P2

April 28, 1977.

Mr. William M. Wismer, President,
Bison Petroleum & Minerals Limited,
Suite 600, Bank of Canada Building,
250 University Avenue,
Toronto, Ontario,
Canada.

Dear Mr. Wismer:

You have requested I confirm in writing the opinion that I gave you previously respecting certain material sent out by you to the shareholders of Bison Petroleum & Minerals Limited ("Bison Petroleum") on February 22, 1977. In particular, you have requested my advice concerning the timing of the transmission of your letter dated February 21, 1977 to the shareholders of Bison Petroleum and the accompanying Notice and Information Circular, which I understand were sent the afternoon of February 22, 1977 relative to the acquisition earlier that day by Dominion Jubilee Corporation Limited ("Dominion Jubilee") of 3,276,287 shares of the 7.5 million issued and outstanding shares of Bison Petroleum.

This is to confirm my understanding that on February 21, 1977, the Boards of Directors of Bison Petroleum and Dominion Jubilee, by independent quorums and majorities of Directors, approved a transaction whereby Bison Petroleum agreed to purchase from Dominion Jubilee its wholly-owned subsidiary Jubilee Quebec Holdings Limited. This transaction involved the issuance by Bison Petroleum of 3,276,287 shares of Bison Petroleum to Dominion Jubilee.

At that time, namely on February 21, 1977, the Board of Directors of Bison Petroleum authorized the allotment and issuance of the shares in question. That transaction was then incorporated into an agreement which was executed by the companies involved under their corporate seals dated February 22, 1977 and, in fact, signed prior to 10:00 a.m. on the morning of February 22, 1977. This is to further confirm my understanding that your letter of February 21 and the materials enclosed therein were not mailed until the afternoon of February 22, 1977.

GOODENOUGH, McDONNELL & BELL

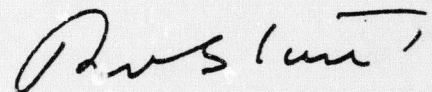
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Based upon these facts relating to the transaction between Bison Petroleum and Dominion Jubilee resulting in the issuance of said shares, and based upon the records of Bison Petroleum which I have reviewed reflecting such transaction, this is to confirm my opinion that as a matter of Canadian Law, at the time your letter to shareholders dated February 21, 1977 was sent, Dominion Jubilee was the holder of 3,276,287 shares of Bison Petroleum stock and that, consequently, at such time Canadian Javelin did not own a majority of the issued and outstanding shares of Bison Petroleum and was not, at such time, in control of Bison Petroleum and that Bison Petroleum, was not, under the law of Ontario, a subsidiary of Canadian Javelin.

As you are aware, the Notice of Meeting and Information Circular forwarded with your letter of February 22nd were transmitted to the shareholders of Bison Petroleum on February 22, 1977 as a result of a proceeding instituted before the Honourable Mr. Justice Keith in the Supreme Court of Ontario, wherein Canadian Javelin sought an order requiring that a Bison Petroleum shareholders meeting be held. In his decision of February 9, 1977, Justice Keith directed that Canadian Javelin deliver to Bison Petroleum a requisition pursuant to Section 109 of the Business Corporation Act of Ontario and that pursuant to such requisition Bison Petroleum call a special general meeting of shareholders to be held on or before March 16, 1977.

As you are also aware, Javelin attempted before the Honourable Mr. Justice Hughes of the Supreme Court of Ontario to obtain an injunction restraining Bison Petroleum from exercising any rights as to the shares transferred to Dominion Jubilee under the agreements of February 22, 1977. Mr. Justice Hughes dismissed that motion. At the same time, Javelin commenced an identical proceeding in the Superior Court of Montreal, which proceeding was also dismissed. Finally, Javelin has commenced a third proceeding, also in the Superior Court of Montreal, which proceeding is now pending.

Yours sincerely,



R.N. Starr

RNS/cr

AFFIDAVIT OF MICHAEL W. LILLIE, ESQ., FOR RESPONDENTS WISMER, ET AL., IN OPPOSITION TO MOTION

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

SECURITIES AND EXCHANGE COMMISSION	:	73 Civ. 5074
Plaintiff,	:	
- against -	:	
CANADIAN JAVELIN LIMITED	:	<u>AFFIDAVIT</u>
JOHN C. DOYLE	:	
WILLIAM M. WISMER	:	
Defendants.	:	

-----x

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

MICHAEL W. LILLIE, being duly sworn, deposes and says:

1. I am associated with the firm of Shearman & Sterling, attorneys for respondents William M. Wismer ("Wismer"), George R. Bothwell, Frank C. Shirriff, John A. Rozzini, C. W. Wylie, Harold W. M. Smith and Anthony G. Ayre ("Respondents").

2. I make this affidavit in opposition to the motion of Canadian Javelin Limited ("Javelin") for an order, pursuant to Local Civil Rule 14, adjudging Respondents to be in contempt of Court because of what is claimed to have been conduct contrary to a Judgment of Permanent Injunction dated July 17, 1974 entered by

this Court against Javelin ("Judgment") and an accompanying stipulation ("Stipulation") relating to the Judgment signed by respondent Wismer. Copies of the Judgment and Stipulation are attached as Exhibits A and B, respectively, to the Wismer Affidavit submitted herewith.

3. Javelin's motion is based upon a sworn affidavit of Irving L. Golomb ("Golomb"), counsel for Javelin. Golomb states that on or about February 21, 1977, Wismer sent a letter ("Wismer Letter") to the shareholders of Bison Petroleum and Minerals Limited ("Bison Petroleum") enclosing a notice of annual meet- of Bison Petroleum shareholders ("Notice") and an Information Circular relating thereto. (Golomb Affid., ¶8) Copies of the Wismer Letter, Notice and Information Circular are attached as Exhibits C through E, respectively, to the Wismer Affidavit. Golomb claims that he has been advised that the Wismer Letter was not reviewed by and sent at the direction of the "Compliance Committee" of Javelin (Golomb Affid., ¶10-11) and that such letter was, therefore, sent in violation of the Judgment. Golomb requests that Respondents be punished by being required to pay appropriate fines to be fixed by the Court, as well as counsel fees and the costs of this proceeding and the investigation, preparation and conduct thereof.

4. For the reasons stated below and in the accompanying Wismer Affidavit and Memorandum of Law, it is respectfully submitted that Javelin does not have standing to seek the relief sought herein and that, in any event, no Respondent has taken action contrary to the terms of the Judgment and that this proceeding should be dismissed accordingly.

Lack of Standing

5. In the first place, the Judgment and Stipulation were obtained at the instance of the Securities and Exchange Commission ("Commission"). As demonstrated in the accompanying Memorandum of Law, only the Commission has the authority to enforce the Judgment and Javelin has no standing to do so. This result was specifically foreseen by the Judgment, Paragraph 15 of which states as follows:

"The Commission may at any time apply to the Court for appropriate relief to enforce the terms of this Judgment."

The Commission, however, has sought no relief herein. Especially in light of the fact that the Golomb Affidavit presents no factual basis for Javelin's standing to commence this proceeding, this proceeding should be dismissed.

Factual Background

6. As noted, Javelin's motion purports to stem from the Judgment which was entered by this Court on July

17, 1974. The Judgment arose out of a proceeding commenced in this Court in December 1973 by the Commission against Javelin, John C. Doyle ("Doyle"), Javelin's founder, a director of Javelin and Chairman of Javelin's Executive Committee and Wismer for violations of various of the federal securities laws. More specifically, the complaint alleged that such violations consisted of misleading public statements concerning the business of Javelin, particularly misleadingly rosy statements allegedly made concerning a Javelin project in Panama for the development of copper and a Javelin project in Newfoundland for the production of linerboard (SEC Complaint ¶¶ 9-19).

7. The lawsuit by the Securities and Exchange Commission resulted in a Judgment of Permanent Injunction against Javelin and a Consent thereto by Javelin. Such suit also resulted in a Judgment of Permanent Injunction against John C. Doyle and John C. Doyle's Consent thereto. No Judgment of Permanent Injunction was entered against Wismer, although Mr. Wismer entered into the Stipulation, whereby he agreed, subject to the contempt powers of this Court, to various undertakings.

8. In particular, Item V of the Stipulation which Wismer entered into stated that Wismer would not engage in certain types of dissemination of information to the public without the prior approval of and at the

direction of Javelin's standing Compliance Committee as described in Item IV in the Judgment against Javelin.

(Stipulation, Item V)

9. As explained in the accompanying affidavit of Wismer, many substantial developments have taken place concerning Javelin, Doyle and Wismer since the Commission's action was terminated by the Injunction. Doyle, who now resides in Panama, has since 1967 been a fugitive from justice arising out of a guilty plea for criminal violation of the Securities Act of 1933. Doyle has also recently been the subject of a further lawsuit commenced by the Commission regarding the affairs of Canadian Javelin in the United States District Court for the District of Columbia. Doyle is consultant to a wholly-owned subsidiary of Javelin and is the largest single shareholder of Javelin, holding approximately 18.2% of the shares of Javelin. As such, Doyle can be considered to be a controlling person of Javelin. Wismer has held no office or other position with Javelin since 1976, when, together with certain other Javelin directors, he was ousted from Javelin's management by Doyle and others aligned with Doyle who resumed control of Javelin at such time. (Wismer Affid., ¶¶ 6-7)

10. There has also been extensive litigation in the Canadian Courts between the two factions struggling for control of Javelin. Amongst other things, Bison Petroleum,

of which Wismer is President, has authorized an action in the Canadian Courts to wind up Javelin and to have a liquidator appointed for Javelin. (Wismer Affid., ¶ 8)

11. Considerable litigation has also taken place recently concerning Bison Petroleum, which, prior to February 22, 1977, was a Javelin subsidiary. Most recently, as is stated in the attached Wismer Affidavit, Javelin commenced various proceedings in the Canadian Courts seeking a court order requiring Bison Petroleum to call a general meeting of the Bison Petroleum shareholders. As a result of one such proceeding, an order was entered on February 9, 1977 by the Honorable Justice Keith of the Supreme Court of Ontario directing Bison Petroleum to call a shareholders meeting on or before March 16, 1977 upon the requisition of such meeting by Javelin. It was subsequent to such court order that the matter of which Javelin now complains was distributed to the shareholders of Bison Petroleum. (Wismer Affid., ¶9)

12. At the time the letter was distributed to the Bison Petroleum shareholders, Bison Petroleum was not a subsidiary of Javelin and, therefore, such letter did not come within the terms of the Judgment or the Stipulation. (Wismer Affid., ¶ 11)

13. The language of the Judgment and the Stipulation show persuasively that the provisions relating to

public pronouncements did not extend to the public pronouncements of a company which Javelin did not control and of which Javelin was not a majority shareholder. The Judgment states, for instance, that Javelin is enjoined from misleading statements concerning, inter alia mineral concessions of Javelin's "subsidiaries or affiliates" (Judgment, ¶ I(A)(4)), or the business operations of its "subsidiaries or affiliates" (Judgment, ¶ I(A)(13)). The Judgment further states that Javelin is enjoined from fraud in connection with the sale of stock of its "subsidiaries or affiliates" (Judgment, ¶ I(C)). The Judgment also requires that a registration statement be in effect as to any sale by Javelin of shares in "its subsidiaries or affiliates" (Judgment, ¶ II(a)) or any offer of shares in "its subsidiaries or affiliates" (Judgment, ¶ II(b)).

14. Similarly, the Judgment requires that 40% of the Javelin Board be independent directors meeting criteria satisfactory to the Commission, including persons not under the control of Javelin or its "subsidiaries or affiliates" (Judgment, ¶ IV(3)(c)).

15. And the Judgment requires an agent be appointed for service of administrative process relating to Javelin "or its subsidiaries or affiliates" (Judgment, ¶ IV(4)).

16. In all of these cases, therefore, the terms of the Judgment are expressed in terms of requirements

relative to Javelin, its subsidiaries or affiliates . In paragraph IV (5) of the Judgment, however, which is the paragraph relating to clearance of public information releases, the terms of such requirements are limited to information disseminated by "Javelin or any of its subsidiaries." By the same token, paragraph VII, which calls for the naming of a special outside counsel to the Standing Committee to review public information, states that such special counsel shall review "the dissemination of all information to the public by Javelin or any of its subsidiaries...." The conclusion is inescapable, therefore, that the paragraphs relating to the clearance of public information were not as far-reaching as the other paragraphs of the Judgment. The public disclosure provisions applied only to Javelin and its subsidiaries, while the rest of the provisions applied as well to Javelin affiliates.

17. Analysis of the terms of the Stipulation leads to the same conclusion. Paragraphs II(A)(1), II(A)(4), II(A)(13), II(C), III(a), III(b), and IV of the Stipulation all specifically relate to Javelin, its subsidiaries and its affiliates. In Paragraph V, however, reference is made solely to Item IV of the Judgment, which, as noted, concerning only Javelin and its subsidiaries. In short, Wismer's undertaking in Item V was limited only to releases regarding subsidiaries of Javelin, i.e., companies which

Javelin controlled and of which it owned over 50% of the stock.

18. That Bison Petroleum was not a Javelin subsidiary when the Wismer Letter was sent out to the Bison Petroleum shareholders is shown in the Wismer Affidavit. On February 21, 1977, the Boards of Directors of Bison Petroleum and Dominion Jubilee Corporation Limited ("Dominion Jubilee"), by independent quorums and majorities of Directors, approved a transaction whereby Bison Petroleum agreed to purchase from Dominion Jubilee its wholly-owned subsidiary Jubilee Quebec Holdings Limited. This transaction involved the issuance by Bison Petroleum of 3,276,287 shares of Bison Petroleum to Dominion Jubilee. On February 21, 1977, the Board of Directors of Bison Petroleum authorized the allotment and issuance of the shares in question. That transaction was then incorporated into an agreement which was executed by the companies involved under their corporate seals dated February 22, 1977 and, in fact, signed prior to 10:00 a.m. on the morning of February 22, 1977. Wismer's letter of February 21 and the accompanying materials were not mailed to any of the shareholders of Bison Petroleum until the afternoon of February 22, 1977. (Wismer Affid., ¶ 13)

19. Wismer consulted with counsel for Bison to determine whether the transmission of materials required by

such Order would be in violation of the Judgment and Stipulation. Based upon his review of the papers relating to the Judgment and Stipulation, counsel advised Wismer that the distribution of his letter of February 21 of the attached materials would not be in violation of such injunction because, in light of the issuance of Bison Petroleum stock to Dominion Jubilee, Bison Petroleum was no longer, at the time he sent his letter of February 21 and the attached materials, a subsidiary of Javelin. Counsel has since confirmed this opinion in writing, a copy of which opinion is attached as Exhibit I to the Wismer Affidavit. (Wismer Affid., ¶ 14)

20. Under these circumstances, it is submitted that the transmission of the materials of which Javelin complains did not constitute a violation of this Court's Judgment, since Bison Petroleum at the time such materials were sent was not a subsidiary of Javelin.

21. Equally important, as is shown by the Wismer Letter itself, the affairs of Bison Petroleum were in no way subject to the control of Javelin. Golomb's own affidavit, in fact, bemoans Javelin's loss of control over Bison Petroleum. (Golomb Affid., ¶ 21) Thus, to the extent that the provisions of the Judgment and Stipulation relating to public releases intended to apply to Javelin's subsidiaries insofar as they were controlled by Javelin, such terms of the

Judgment and Stipulation certainly do not apply the Wismer Letter and its materials.

22. Nothing in the Wismer Letter or accompanying materials, moreover, falls within the spirit of the public disclosure provisions of the Judgment or Stipulation. As noted above, the Commission's complaint was aimed at public statements touting Javelin stock through allegedly misleadingly rosy statements concerning Javelin's business affairs and the resulting attractiveness of Javelin as an investment. The Wismer Letter, far from being such a statement, comments on Javelin not with respect to its business activities or attractiveness as an investment, but rather solely in its capacity as Bison Petroleum's former parent and as an attempted contender for control of Bison Petroleum. Indeed, Wismer's statements can in no way be interpreted as misleadingly rosy comments on Javelin as an investment; they are, to the contrary, openly critical of present Javelin management. Under these circumstances, it cannot seriously be maintained that the Judgment and Stipulation were intended to cover such documents as the Wismer Letter.

23. In short, Javelin's motion can only be considered harassment. Typical of the spirit in which such motion has been made is Javelin's recent telex to Judge Arnold Bauman, a member of Shearman & Sterling, counsel for Respondents. This telex, a copy of which is attached hereto

as Exhibit 17 is clearly intended to dissuade Shearman & Sterling from representing Wismer and thereby deprive him of counsel.

Other Respondents

24. No basis whatsoever is stated by Golomb to support his claim that the Respondents other than Wismer should be held in contempt of court. None of such Respondents were party to the Commission's action before this Court and none entered into any agreement whatsoever relating to such proceeding. And as Wismer himself states in his accompanying affidavit, his letter was sent solely on his own initiative and not at the direction or with the approval of the other directors of Bison Petroleum. Under these circumstances, even were Wismer's Letter to the Bison Petroleum shareholders found to be in violation of this Court's Injunction, which it was not, such act could not form the basis for a finding of contempt as to the Respondents other than Wismer.

25. Based upon the above considerations, it is respectfully submitted that there is no basis for the alleged contempt of Court asserted by Golomb in his affidavit and that, accordingly, Javelin's motion should be denied. Pursuant to Local Civil Rule 14(d), Respondents are entitled to costs and disbursements, together with counsels' fees. Accordingly, Respondents request that such

costs and disbursements and reasonable counsels' fees be
awarded to them.

Michael W. Lillie

Michael W. Lillie

Sworn to before me this
30 day of May, 1977

Maureen V. Hare
Notary Public

MAUREEN V. HARE
Notary Public, State of New York
No. 24-4509610
Qualified in Kings County
Commission Expires 12/31/79

EXHIBIT I TO LILLIE AFFIDAVIT - TELEGRAM FROM
CANADIAN JAVELIN LIMITED TO JUDGE ARNOLD
BAUMAN, SHEARMAN AND STERLING

JUDGE ARNOLD BAUMAN SHEARMAN AND STERLING

53 WALL ST NEW YORK NY 10025

ET

GENTLEMEN

YOU ARE HEREBY ADVISED THAT SHOULD YOU UNDERTAKE THE
PRESENTATION OF WISNER (ET AL) IN CONNECTION WITH A PENDING
CONTEMPT CITATION IN SEC VS CJVI73 CIV 5074 (LFM) ANY RECEIPT
BY YOU OF RETAINERS OR PAYMENTS FROM THE CORPORATE TREASURERS
OF BISON PETROLEUM MINERALS LIMITED BE UNAUTHORIZED AND ULTRA
VIRES AND YOU ARE HEREBY PUT ON NOTICE THAT CANADIAN JAVELIN
LIMITED WOULD ENFORCE ALL RIGHTS OF BISON TO RECOVER FROM YOU
ANY ACCOUNTS PAID ON ACCOUNT THEREOF

P SALESTPERI PRESIDENT CANADIAN JAVELIN LIMITED

AFFIDAVIT OF JACOB MORRIS WAINBERG, ESQ., FOR
RESPONDENTS WISMER, ET AL., IN OPPOSITION TO MOTION
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION	:	
Plaintiff,	:	73 Civ. 5074
- against -	:	
CANADIAN JAVELIN LIMITED	:	
JOHN C. DOYLE	:	<u>AFFIDAVIT</u>
WILLIAM M. WISMER	:	
Defendants.	:	

-----X

STATE OF NEW YORK	)	
	)	ss.:
COUNTY OF NEW YORK	)	

JACOB MORRIS WAINBERG, being duly sworn,
deposes and says:

1. I am a member of the Law Society of Upper Canada, which is the organization of which one must be a member in Ontario, Canada in order to practice law. I make this affidavit in opposition to the motion by defendant Canadian Javelin Limited ("Javelin") to hold respondents herein in contempt of court.

2. I graduated from the Law School of the Law Society of Upper Canada in 1930. Since such time, I have continuously practiced corporate law in Canada. I was appointed as Queen's Counsel in 1956. In addition to practicing corporate law for over 45 years, I have published several articles and books on the subject of Canadian corporate law. In particular, I was commissioned

by Canada Law Book, Ltd. to write three volumes of O'Brien's Encyclopedia, which three volumes deal with corporation forms. To date, I have written two of the three volumes, which have been published, each of which is approximately 1,000 pages in length and am preparing the third volume. I have also been commissioned by Commerce Clearing House to write and have written a booklet entitled Duties and Responsibilities of Directors in Canada, and a booklet on the new Canadian Business Corporation Act. In 1961, I published a book entitled Wainberg's Company Meetings which is on the subject of the procedures for corporate meetings in Canada. In addition, I have published numerous articles for the Financial Post, which is Canada's leading financial journal.

3. I have read the letter of R. N. Starr of April 28, 1977, which is attached as Exhibit H to the May 2, 1977 affidavit of William M. Wismer. I have also read the affidavit of Irving L. Golomb dated March 31, 1977, and the reply affidavit of Irving L. Golomb dated May 5, 1977. Based upon the facts as I understand them, which is as they are stated in Mr. Starr's letter of April 28, 1977, I am in agreement with Mr. Starr's opinion expressed therein that the transmission by Mr. Wismer of his letter dated February 21, 1977 to the shareholders of Bison Petroleum

and the accompanying Notice and Information Circular took place at a time when Javelin did not own a majority of the issued and outstanding shares of Bison Petroleum and was not, at such time, in control of Bison Petroleum and that Bison Petroleum was not, under the law of Ontario, a subsidiary of Javelin.

4. In his reply affidavit dated May 5, 1977, Golomb states in part as follows:

"It is axiomatic that a change of stockholdings is as of the time of the issuance and transfer of shares, not the date of authorization, particularly when such authorization purports to involve an exchange of stock with another corporation which, presumably, must also approve the transaction with due formality and supply the requisite consideration for the stock to be issued. The Wismer affidavit and exhibits are totally silent as to the date of the actual issuance of the Bison shares. I have been advised in a telephone conversation with Joseph Nuss, general counsel to Javelin, after the receipt by my firm of the opposing affidavit and exhibits, that it was not until approximately a week after the sending of the February 21st letter, on or about February 28, 1977, that there was sent to Bison's Transfer Agent a letter on behalf of the Wismer group, requesting the issuance or transfer of record of the Bison shares to the name of Dominion Jubilee.... It is hoped that it will arrive in time to be appended hereto and submitted to this Court in order to demonstrate that the record owner of the shares at the time of the February 21st letter had not yet become Dominion Jubilee. Accordingly,

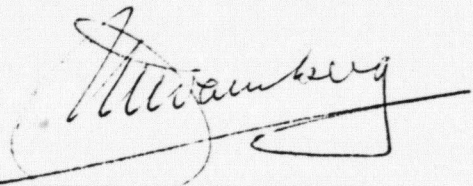
Javelin would still have continued to own on February 22nd the 61.2% of the outstanding shares of Bison, as appears from the Information Circular distributed by the Wismer group (Ex. V), even apart from any question as to the legality of the cross-issuances of stock by Bison and Dominion Jubilee." Golomb Affidavit, p. 5.

These statements by Mr. Golomb in his reply affidavit are clearly wrong as a matter of Ontario law. It is clear from the above quote that what Mr. Golomb is talking about is the delivery of certificates and not the issuance of shares by Bison Petroleum to Dominion Jubilee. This fact is shown simply enough by the letter itself, which is attached to the Golomb reply affidavit as Exhibit XVI. This letter reads in relevant part as follows:

"You are hereby authorized and directed to issue in the name of Dominion Jubilee Corporation Limited... a certificate or certificates representing 3,276,287 fully paid and non-assessable shares in the capital of Bison Petroleum...." [emphasis added]

5. In short, the issuance of Bison Petroleum certificates to Dominion Jubilee has nothing to do with the question whether Javelin owned a majority of Bison Petroleum shares at the time the Wismer letter was sent to the Bison Petroleum shareholders. Under Ontario law,

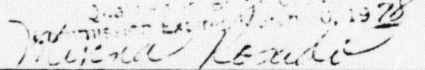
the moment the agreement was signed providing for the issuance of shares to Dominion Jubilee, Dominion Jubilee became the de facto shareholder in Bison Petroleum, irrespective of whether or when certificates reflecting such ownership were issued or delivered. I am in full agreement with Mr. Starr that Javelin was not the parent of Bison Petroleum at the time the Wismer letter was sent and Golomb's attempts as described above to show otherwise are entirely incorrect.



Jacob Morris Wainberg

Sworn to before me this

15th day of May, 1977



Notary Public

REPLY AFFIDAVIT OF IRVING L. GOLOMB, ESQ., FOR
DEFENDANT CANADIAN JAVELIN LIMITED, IN SUPPORT
OF MOTION
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff, : 73 Civ. 5074
LFM.

-against-

CANADIAN JAVELIN LIMITED
JOHN C. DOYLE
WILLIAM M. WISMER,

: REPLY AFFIDAVIT
IN SUPPORT OF
MOTION

Defendants. :

-----X

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.:

IRVING L. GOLOMB, being duly sworn, deposes and says:

1. I am a member of the law firm of DIAMOND & GOLOMB, P.C., attorneys for defendant Canadian Javelin Limited. I make this reply affidavit in support of that defendant's motion to hold the several respondents, Wismer, et als, in contempt.

2. The respondents served herein were Messrs. Wismer, Shirriff, Wylie, Smith and Bothwell. John Rozzini, one of the alleged contemnors, was not served in consequence of his having forwarded to defendant Javelin a letter dated April 9, 1977, in which he absolved himself of any responsibility for the acts or decisions taken at the February 22, 1977 meeting and his claim that he resigned from the Bison Board of Directors shortly after the meeting (see affidavit of Irving L. Golomb, sworn to May 3, 1977 for further details). Nor was Anthony G. Ayre served since he could not be found by the process server, as I am informed.

3. Of all the respondents served, only one of them, Wismer, has made an opposing affidavit. The others so served have remained significantly silent on the crucial question of whether they knew and approved of the preparation and sending of the February 21st letter by Wismer. Certainly, the Wismer affidavit is not competent proof on the matter of the state of mind of the other respondents, and his conclusory statement that the other respondents were not even aware that the letter was being sent to the Bison shareholders, cannot substitute for sworn denials by those respondents.

4. The February 21st letter was sent together with both the notice of special general meeting and the Information Circular. Each of those three documents bore the same date, February 21, 1977. The Information Circular read, at its foot:

"The enclosed proxy is being solicited by the Management of the Corporation".

Unquestionably, the February 21st letter was intended to be read together with the notice of meeting and Information Circular as a joint set of communications from the identical source. For Wismer to impute the total responsibility to himself is an incredible obfuscation of the plain intendment of the three documents.

5. The Wismer opposing affidavit concedes that his letter and enclosures were not reviewed by the Compliance Committee and were not submitted to Special Counsel for their approval. It must be noted in this connection that Special Counsel are not the attorneys for defendant Canadian Javelin Limited but are only

counsel to the Compliance Committee. It cannot be presumed that Special Counsel would, in any sense, have been partisan in reviewing proposed disclosures by the Wismer group since their function is merely to guard against violations of the United States Securities laws. Wismer did not, as would have been appropriate, apply to the Court for a ruling that he was free to send his letter and enclosures to U. S. shareholders, in consequence of the claimed change of status of Bison from a subsidiary to an affiliate of Javelin. Instead, Wismer elected to run the risk of violating the Consent Decree, with attendant possibility of contempt proceedings.

6. The Wismer opposing affidavit does not dispute the claim that the Wismer letter was circulated in the United States, that it omitted to show Wismer's long-term connection with Javelin and Doyle, as President and Director of Javelin during the years in question, his relationship to the Newfoundland Liner-board and the Panamanian Copper projects, and to the alleged Javelin losses during those years, nor did he disclose in his discussion of this injunction itself that he, himself, had consented to its terms, and that all of this was misleading as to material facts.

7. Although the precise record of the date of Wismer's resignation as President of Javelin was not available to me at the time of the execution of the moving affidavit herein, and although he may have technically resigned before the entry of the Consent Decree, the time gap is insignificant. Wismer was fully aware of the negotiations and the entry of the Consent Decree.

He executed his consent stipulation June 17, 1974, after Doyle had executed his consent on May 29th. The Court thereafter entered the Consent Decree on the basis of both of these consents.

8. As one of Javelin's attorneys in that litigation and in the negotiation of the settlement thereof, I can state that it was the firm position of the SEC staff that they would not permit a Consent Decree upon the terms negotiated unless Wismer, himself, executed a consent. He resigned as President in order to avoid the impact of a judgment against him since he expressed concern that it would affect his status as an Ontario attorney. However, it is indisputable that there could have been no Consent Judgment without his consent.

9. Wismer argues that Javelin cannot complain of the contents of the materials distributed by him because Javelin had itself applied to the Ontario Supreme Court for an order calling a Bison stockholders meeting. This is a patent non-sequitur. That court did not direct the Wismer group as to the contents of any notice, letter or Information Circular to be sent. The respondents might as well attempt to fix the blame for the contents of the February 21st letter upon the Ontario court as upon Javelin since the choice of contents was no more attributable to Javelin than to the court. The responsibility is plainly that of the respondents.

10. Wismer argues that by the legerdemain of the authorization by Bison's Board on February 21, 1977, that there be allotted and issued to Dominion Jubilee 3,276,287 shares of Bison stock (practically all the unissued shares then available)

and the execution of an agreement between those companies on February 22, 1977, Bison ceased to be a subsidiary of Javelin on February 21, 1977, the date of the mailings. It is axiomatic that a change of stockholdings is, as of the time of the issuance and transfer of shares, not the date of authorization, particularly when such authorization purports to involve an exchange of stock with another corporation which, presumably, must also approve the transaction with due formality and supply the requisite consideration for the stock to be issued. The Wismer affidavit and exhibits are totally silent as to the date of the actual issuance of the Bison shares. I have been advised in a telephone conversation with Joseph Nuss, general counsel to Javelin, after the receipt by my firm of the opposing affidavit and exhibits, that it was not until approximately a week after the sending of the February 21st letter, on or about February 28, 1977, that there was sent to Bison's Transfer Agent a letter on behalf of the Wismer group, requesting the issuance or transfer of record of the Bison shares to the name of Dominion Jubilee. A copy of that letter is being expedited to us from Montreal by Eastern Airlines. It is not yet available at the time of this dictation. It is hoped that it will arrive in time to be appended hereto and submitted to this Court in order to demonstrate that the record owner of the shares at the time of the February 21st letter had not yet become Dominion Jubilee. Accordingly, Javelin would still have continued to own on February 22nd the 61.2% of the outstanding shares of Bison, as appears from the Information Circular distributed by the Wismer Group (Ex. V), even apart from any question as to the legality of the cross-issuances of stock by Bison and Dominion Jubilee.

11. The opposing affidavit states that at the time the Wismer letter was sent to Bison shareholders, Dominion Jubilee was the largest single shareholder of Bison, and Javelin owned only approximately 34.5% of the total issued and outstanding shares of Bison. If this is correct, it flatly contradicts the explicit statement at page 3 of the Information Circular to the effect that Canadian Javelin Limited owns 61.2% of Bison which would make that Circular materially misleading, particularly, if, as the Wismer affidavit now purports to suggest, the supposed exchange of stock had already been authorized by the Bison Board at the time the Information Circular and the cover letter were sent. Respondents argue that the change in shareholdings took place after the date of preparation of the Information Circular. That itself constitutes a concession that, at the time the Information Circular and letter were sent, Bison was still a subsidiary of Javelin, and the mailing violated this Court's injunction. Certainly, it was the respondents' duty to bring the Information Circular current and not to distribute a circular which, at the time of its mailing, had already become factually inaccurate. It cannot be suggested that a change in shareholdings which could allegedly transform Bison's status from that of a subsidiary of Javelin to an affiliate is not material.

12. The opposing affidavit rests its position strongly upon the effort to distinguish between the applicability of the Consent Decree to subsidiaries as against affiliates of Javelin.

In doing so, it ignores the plain language of the Wismer stipulation dated June 17, 1974:

"V. Wismer shall not engage in the dissemination of information to the public without the specific prior approval and at the direction of Javelin's standing Compliance Committee, and the Special Counsel to said Committee".

Paragraph V plainly refers to Javelin and makes no mention of either affiliates or subsidiaries. The February 21st letter makes repeated references to Javelin. Even if there were no question of Bison whatever in this picture, Wismer has violated his stipulation.

13. Furthermore, Paragraphs III and IV of the Wismer consent bind Wismer not to sell the securities of Javelin or any of its subsidiaries or affiliates without a prior registration statement in effect, and not to file materially false and misleading reports with respect to the securities of Javelin, its subsidiaries or affiliates. Thus, the scope of the prohibitions imposed by the Wismer consent is amply broad to encompass affiliates as well as subsidiaries.

14. The Wismer argument is designed to divert the Court's attention, in the first instance, from the fact that Wismer has violated his own consent in relation to Javelin. The respondents' defense then shifts to the very narrow ground of the purported distinction between a subsidiary and an affiliate, without showing any evidence to demonstrate that there had actually been a bona fide issue of Bison shares prior to the sending of the February 21st letter.

15. On or about April 28, 1977, I telephoned Jon D. Jensvold, Esq., one of the attorneys for the Securities and Exchange Commission, to advise him of the adjournment of the contempt motion herein, to ascertain whether the Commission had received a copy of the Order to Show Cause, and to learn of steps, if any, it intended to take. I was advised by Mr. Jensvold that the Commission's staff had tentatively decided to take no position in the contempt proceedings and that Mr. Jensvold expected to be in court on the return day in the event Judge MacMahon had some questions for the Commission, but did not intend to enter a formal appearance.

16. No papers have been received by us from the Securities and Exchange Commission, either in support of or in opposition to the present motion. The Commission does not apparently raise the question of whether Javelin lacks standing to complain of the alleged contempt and violation of the Consent Decree.

17. The claim that Javelin lacks standing is made only by the individual respondents. Certainly, it does not lie in the mouth of a violator of this Court's Judgment to raise the defense of lack of standing when it has not been raised by the Commission.

18. While there have been holdings and dicta that a non-party lacks standing to enforce an injunction obtained by an administrative agency or a department of the Government, these authorities appear to be based less upon a question of standing than upon a proper respect for administrative discretion. The present injunction, which was obtained against Javelin itself, as well as Wismer and Doyle, should not oust Javelin of the right

to bring a violation thereof to the Court's attention because the violation by Wismer may itself be deemed to be a violation by Javelin, committed through its subsidiary Bison. Were the Commission itself inclined to press such a vicarious violation against Javelin, it would no more be bound by the self-interested exchange of stock between Bison and Dominion Jubilee, or by the legal conclusion which respondents seek to draw from such exchange, to wit, that Bison is no longer a subsidiary, than is Javelin bound on the present motion. Moreover, to the extent that the contempt herein contains the elements of a criminal contempt, a criminal contempt may be brought by the Government itself or by the Government on the relation of a party aggrieved by the violation of the injunction. Javelin plainly is aggrieved.

19. The Wismer group of respondents could be held estopped, by their own violations, to raise the question of whether Javelin has standing to enforce the Decree against them.

20. This Court has heretofore expressed its interest in protecting its own Decree and through its Decree to protect the American shareholders of Javelin. The Court has, by application of Special Counsel, appointed counsel to defend the Decree against alleged violations in Canada. It would be entirely appropriate for this Court, upon the showing made herein, to protect its own Decree and the interests of the American shareholders for whose protection it was entered, and to construe the Decree broadly in circumstances in which the respondents, combining their own self-interested and facially unlawful acts with a narrow hyper-technical reading of the Decree, seek to deprive the

American shareholders of Javelin of control of financial interest in significant corporate subsidiaries and/or affiliates of Javelin.

21. The only precedent, relied upon by the alleged contemnors, is SEC v. Vickers, Christy & Co. (1964-1966 Transfer Binder) Fed. Sec. L. Rep. (CCH) #91 487 (S.D.N.Y. 1965). That case is completely distinguishable on its facts from the case herein. In the first place, the petitioners therein were not parties to the action. The holding that even if they were they would have no standing to institute contempt proceedings, was clearly dictum. Moreover, there is no showing that the petitioners therein had requested the SEC to act and that it had failed to do so, as is the case herein. Nor was there any possibility in Vickers that the non-party petitioners might be held in contempt or otherwise liable for violations of the Securities Laws, in the absence of affirmative proceedings by them to protect the injunction decree. Finally, unlike Vickers, no effort is made herein "to collect a private debt", which plainly influenced Judge McLean's decision in Vickers. Javelin does not present to this Court the question of the possible loss of Bison except as background. The determination of the rights of the parties with relation to the Javelin-Bison stock position will be made in Canadian courts. However, it is vital for this Court to know something of the purposes and practices of the Wismer group in order to full comprehend the nature of the alleged violations, the Consent Decree, and of the defenses asserted by the Wismer group.

22. The primary obligation under the Consent Decree is that of Javelin which, with its Board of Directors and its Compliance Committee, has the obligation to carry out the terms of the injunction.

23. The Securities and Exchange Commission has instituted other litigation against the defendant Javelin and certain other individuals in the United States District Court for the District of Columbia, under index No. 76-2070, alleging certain violations of the Securities laws. It is incumbent upon Javelin to avoid such violations and to attempt to police the Consent Decree herein in order to ensure itself against the possibility that it may be held responsible for non-policing.

WHEREFORE, it is respectfully requested that the instant application be in all respects granted, with costs.

IRVING L. GOLOMB

Sworn to before me this

5th day of May, 1977.

EXHIBIT XVI TO GOLOMB REPLY AFFIDAVIT - LETTER
SENT TO BISON'S TRANSFER AGENT ON OR ABOUT
FEBRUARY 28, 1977

BISON PETROLEUM & MINERALS LIMITED

Head Office
Suite 600,
250 University Avenue,
Toronto, Ontario,
M5H 3E7

Telephone 416-364-2244

TO: Guaranty Trust Company of Canada,
88 University Avenue,
Toronto, Ontario.

You are hereby authorized and directed to issue in the name of Dominion Jubilee Corporation Limited, Suite 3112, Canadian Imperial Bank of Commerce Building, 1155 Dorchester Boulevard West, Montreal, Quebec H3B 3S6, a certificate or certificates representing 3,276,287 fully paid and non-assessable shares in the capital of Bison Petroleum & Minerals Limited and deliver said certificate or certificates to Messrs. Goodenough, McDonnell & Bell, solicitors for Dominion Jubilee Corporation Limited.

We certify that the said 3,276,287 shares have been validly allotted as fully paid and non-assessable.

DATED at Toronto, Ontario, this 28th day of February, 1977.

BISON PETROLEUM & MINERALS LIMITED

per: _____

President

Secretary

P10

DOMINION JUBILEE CORPORATION LIMITED

Head Office
Suite 3112,
Canadian Imperial Bank of
Commerce Building,
1155 Dorchester Blvd. West,
Montreal, Quebec
H3B 3S6

TO: Canada Permanent Trust Company,
600 Dorchester Boulevard West,
Montreal, Quebec.

You are hereby authorized and directed to issue in the name of Bison Petroleum & Minerals Limited, Suite 600, 250 University Avenue, Toronto, Ontario M5H 3E7, a certificate or certificates representing 2,100,000 fully paid and non-assessable shares in the capital of Dominion Jubilee Corporation Limited and deliver said certificate or certificates to Messrs. Pouliot, Mercure, LeBel, Prud'Homme, Verdy & Desrochers, solicitors for Bison Petroleum & Minerals Limited.

We certify that the said 2,100,000 shares have been validly allotted as fully paid and non-assessable.

DATED at Toronto, Ontario, this 28th day of February, 1977.

Certify correct
April 25, 1977.

DOMINION JUBILEE CORPORATION LIMITED

Canada Permanent Trust Company

per:

President

Secretary

April 25, 1977



GOUVERNEMENT
DU QUÉBEC

COMMISSION
DES VALEURS MOBILIÈRES
DU QUÉBEC

CH 726
TOUR DE LA LOI
MONTREAL
H2C 1G1

DÉCISION 12-R-76

CANADA
PROVINCE DE QUÉBEC
DISTRICT DE MONTRÉAL

SUJET: DOMINION JUBILEE CORPORATION LIMITED

Ordonnance d'interdiction en vertu de l'article 63
de la loi des valeurs mobilières.

A TOUTS LES COURTIERS ENREGISTRÉS AUPRÈS DE LA COMMISSION

CONSIDÉRANT que Dominion Jubilee Corporation Limited
la ("compagnie") est une compagnie soumise à la divulgation
financière en vertu de l'article 93 de la Loi;

CONSIDÉRANT que la "compagnie" n'a pas déposé à la Commission
ses états financiers pour l'année terminée le _____
_____ et ses états financiers intermédiaires pour la période de
six mois terminée le 30 juin 1975 tels qu'exigés par les
articles 97 et 98 de la Loi et qu'aucune information financière
à jour n'est disponible au public investisseur;

CONSIDÉRANT qu'il est de l'intérêt public que le commerce des
valeurs mobilières de la "compagnie" soit interdit;

VU les pouvoirs délégués par la Commission au directeur général
en vertu de l'article 9 de la loi des valeurs mobilières;

VU l'article 63 de la loi des valeurs mobilières;

EN CONSÉQUENCE, le directeur des rapports ordonne à tous les cour-
tiers de cesser de faire le commerce des valeurs mobilières de
Dominion Jubilee Corporation Limited
jusqu'à ce que cette ordonnance soit modifiée ou révoquée.

Toute personne ou compagnie directement affectée par cette décision
peut s'adresser à la Commission pour demander une révision confor-
mément à l'article 10 a) de la Loi.

Signée à Montréal, ce 10ème jour du mois de mars 1976.

Décision 5091

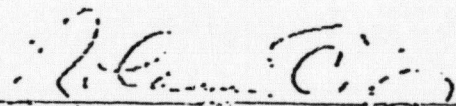
Page 2

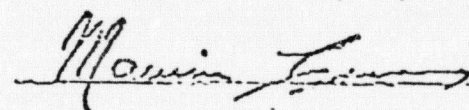
Une ordonnance similaire n'est pas émise dans le cas de Dominion Jubilee Corporation étant donné que le commerce des valeurs mobilières de cette compagnie fait déjà l'objet d'une interdiction depuis le 10 mars 1976, vu le défaut par la compagnie de se conformer aux exigences de la Loi quant à la divulgation financière.

Toute personne ou compagnie directement affectée par cette décision peut s'adresser à la Commission pour demander une révision conformément à l'article 10 a) de la Loi.

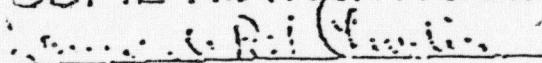
Signé à Montréal, ce 9 ième jour de mars 1977.

COMMISSION DES VALEURS MOBILIERES
DU QUEBEC

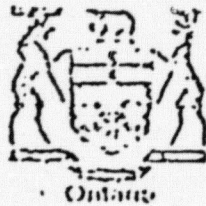




COPIE AUTHENTIQUE



LOUISE LABEL CHEVALIER
SECRÉTAIRE
C.V.M.Q.



*This is in pursuance of the
order made by the Commission
17 March 1977*
[Signature]
Secretary of the Commission
12.4.77

Ontario
Securities
Commission

416/955-

555 Yonge
Toronto, O
M7A 2H7

IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1970, CHAPTER 426,
AS AMENDED

AND

IN THE MATTER OF DOMINION JUBILEE
CORPORATION LIMITED

ORDER
(Section 144)

UPON the Ontario Securities Commission
having made a temporary order pursuant to
section 144(2), on the 3rd day of March, 1977,
that all trading in the securities of Dominion
Jubilee Corporation Limited cease forthwith;

AND UPON a notice of hearing, pursuant to
section 144, to determine whether the temporary
order should be extended, varied or rescinded,
having been served by the Ontario Securities
Commission on counsel for the corporation;

AND UPON hearing counsel for Dominion Jubilee
Corporation Limited, counsel for Canadian Javelin
Limited, and counsel for the Ontario Securities
Commission;

AND UPON satisfactory information in the form
of a press release by Dominion Jubilee Corporation
Limited dated March 16, 1977, with respect to
inter-corporate transactions and placements of
securities between Bison Petroleum & Minerals
Limited and Dominion Jubilee Corporation Limited,
having been adduced hereto;

AND UPON unsatisfactory information as to the validity of the allotment and issue of 2,100,000 shares of Dominion Jubilee Corporation Limited to Bison Petroleum & Minerals Limited and of 3,276,287 shares of Bison Petroleum & Minerals Limited to Dominion Jubilee Corporation Limited having been adduced hereto;

AND UPON being of the opinion that this order is in the public interest;

IT IS ORDERED that prior to and upon the expiry of the order dated the 3rd day of March 1977, fifteen days from the making thereof, that the order dated the 3rd day of March is extended, in part, so that trading shall cease in respect of 2,100,000 shares of Dominion Jubilee Corporation Limited issued to Bison Petroleum & Minerals Limited and in respect of 3,276,287 shares of Bison Petroleum & Minerals Limited issued to Dominion Jubilee Corporation Limited, until such time as there is resolution of the doubt as to the validity of the allotment and issue of the securities of either or both corporations and satisfactory information as to the resolution has been provided to the Commission.

DATED at Toronto this 17th day of March, 1977.

H.S.B.

Smbeck

CU

CERTIFICATE No. of Shares	Certificate Numbers	CERTIFICATE No. of Shares	Certificate Numbers
10000000 MIND 155. 20, 1977		7000 PERMANENT & NEWBOLLS LIMITED 200 UNIVERSITY AVE., SUITE 650 TORONTO, ONT. M5T 1A5	W15217 W15220 7000 2,100,000
70000000	2,100,000		
700000	2,100,000		

REPLY AFFIDAVIT OF IRVING L. GOLOMB, ESQ., FOR
 DEFENDANT CANADIAN JAVELIN LIMITED, IN SUPPORT
 OF MOTION

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

-----x
 SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

73 Civ. 5074
 LFM

-against- :

CANADIAN JAVELIN LIMITED :
 JOHN C. DOYLE :
 WILLIAM M. WISMER, :

AFFIDAVIT IN REPLY
TO SECURITIES AND
EXCHANGE COMMISSION

Defendants. :
 -----x

STATE OF NEW YORK)
) ss.:
 COUNTY OF NEW YORK)

Irving L. Golomb, being duly sworn, deposes and
 says:

1. I am a member of the law firm of Diamond &
 Golomb, P.C., attorneys for defendant Canadian Javelin Limited.
 I make this affidavit by way of reply to the position of the
 Securities and Exchange Commission and in support of the instant
 motion to hold the several respondents, Wismer, et als., in con-
 tempt.

2. On the original return date of the contempt
 motion, Mr. Jensvold, representing the SEC advised the Court that
 the Commission had instructed him to file no appearance on the

AVING L. GOLOMB, ESQ., FOR
JAVELIN LIMITED, IN SUPPORT

T
RK

-----x

MISSION, :

laintiff, :

73 Civ. 5074
LFM

:

:

AFFIDAVIT IN REPLY
TO SECURITIES AND
EXCHANGE COMMISSION

:

efendants. :

-----x

olomb, being duly sworn, deposes and

member of the law firm of Diamond &

defendant Canadian Javelin Limited.

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mission and in support of the instant

respondents, Wismer, et als., in con-

original return date of the contempt

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The instant reply

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4. It is plain that Javelin may be subjected to vicarious liability for the acts of individuals associated with it, its subsidiaries, or affiliates, and particularly in the case of such blatant violations as are here present, unless Javelin is permitted to police such acts.

5. In fact, in a suit brought by the Commission against Javelin in the District of Columbia under Index No. 76-2070, the Commission takes the position that individual defendants therein are liable for aiding and abetting violations of the Securities Laws, notwithstanding that those individuals were indisputably out of power during the period in question, during which an insurgent Board held the reigns from March till July 1976.

6. In fact the Consent Decree of 1974 contains elaborate provisions as to the acts to be performed by Special Counsel in the event of violation of the Consent Decree.

7. Paragraph 7 of the Decree provides "Special Counsel shall review the dissemination of all information to the public by Javelin or any of its subsidiaries, its officers and directors, and shall be authorized to take all reasonable steps to secure compliance with the U.S. Securities Laws and shall make such inquiries as he deems necessary to see to it that this judgment is being carried out...Special Counsel shall notify the Commission and Javelin's Board of Directors in any respect in

which he believes the Judgment is not being carried out and advise the Board as to the steps necessary to cure such failure".

8. Special Counsel, having been frustrated in his efforts to obtain reassurance from Wismer's counsel, advised Javelin to notify the SEC. By Part IV Section 1 of the Consent Decree, the Board of Directors of Javelin is responsible for carrying out its provisions. If Javelin's effort to meet that responsibility is rejected, the provisions of the Decree would cease to be meaningful. Such meaning could be restored only if Javelin is not denied recourse to this Court for the redress of violations of the Decree by the individual respondents. Absent such enforcement potential, these provisions become an exercise in futility. When Javelin consented to the 1974 Decree it certainly became entitled to the protective provisions which were intended to sanitize the company against possible Securities violations. It cannot be argued that Javelin is subject to the Decree if Javelin cannot be heard to complain of its violation.

9. The function of an injunction is to deter, not to punish. Not to enforce the Decree is to thwart deterrence. If in a case of so clear a contempt as any child would recognize and so thoroughly documented, the SEC declines to speak up on the merits, this should not preempt the Court's right to act sua sponte to defend its own decree. The Court would certainly not hesitate to make a finding of contempt if a court order were

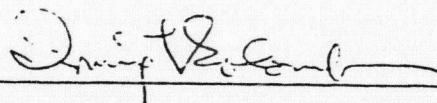
violated in the courtroom, without the requirement of any intervening complaint. Not to enforce the injunction in the face of clear violation may have the result of subjecting the judiciary process to public contempt.

10. The government through its agencies speaks for the people in cases such as this. The only statutory basis for an injunction in SEC cases is the protection of the investors. When the SEC brings suit it is in a fundamental sense the public interest for which it presumes to act. When it brought its action herein in 1973 it was presumably doing so on behalf of Javelin investors and stockholders. The Commission's present formalistic neutrality is inconsistent with SEC function and purpose. Moreover it raises sharply the underlying question of whether an injunction which the Commission declines to enforce should be permitted to stand and whether in consequence of the Commission's abdication of the enforcement role, even in the face of blatant violation, the Court should not treat the instant motion as a motion to vacate and dissolve the injunction.

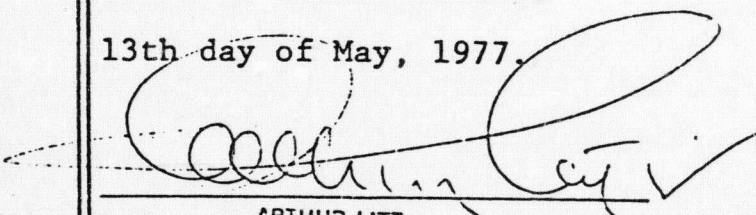
11. In my telephone conversation late yesterday with Mr. Jensvold he kindly furnished me with two cases which the SEC intends to cite, i.e., U.S. v. Western Electric and U.S. v. ASCAP. Upon first glance neither of these cases is applicable here and both are readily distinguishable. Both were anti-trust matters in which the movant, seeking contempt, had a private

controversy with the respondent and was not a party to the action. Contempt was denied in order to avoid multiplicitous enforcement proceedings by numerous non-parties.

WHEREFORE, it is respectfully requested that the instant motion be granted.



Sworn to before me this
13th day of May, 1977.



ARTHUR LITZ
Notary Public, State of New York
No. 30-7572300
Qualified in Nassau County
Certified in the following Office:
County Clerk, Nassau County, New York


TRANSCRIPT OF ARGUMENT

1 UNITED STATES DISTRICT COURT

2 SOUTHERN DISTRICT OF NEW YORK

3 -----X
4 SECURITIES AND EXCHANGE COMMISSION, :

5 Plaintiff, :

6 - against - :

7 CANADIAN JAVELIN, LIMITED, JOHN C. : 73 Civ 5074
8 DOYLE, WILLIAM M. WISMER, :

9 Defendants.
10 -----X

11 New York, N. Y.

12 May 12, 1977 - 2:30 p.m.

13 B e f o r e :

14 HON. LLOYD F. MacMAHON,

15 District Judge

16 Appearances:

17 MICHAEL F. PERLIS, Esq.

18 and

19 JON D. JENSVOLD, Esq.

20 Attorneys for Plaintiff

21 DIAMOND & GOLOMB, Esqs.

22 Attorneys for Movant Canadian Javelin

23 BY: IRVING L. GOLOMB, Esq.

24 SHEARMAN & STERLING, ESqs.

25 Attorneys for Respondents William M. Wismer, et al.

BY: MICHAEL W. LILLIE, Esq.

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2 THE CLERK. SEC v. Canadian Javelin.

3 MR. GOLOMB: Good afternoon, your Honor. I am
4 Irving Golomb, of Diamond & Golomb, attorneys for the
5 moving party Canadian Javelin Limited. I made argument
6 last week, which I don't think your Honor would want to
7 hear again today. Maybe I might preliminarily just make
8 this statement on procedures as to what has happened since
9 last week.

10 We have been served with no papers until this
11 afternoon here. I was given the courtesy on the phone
12 yesterday by Mr. Jensvold of the SEC, whom I called in
13 Washington, of being apprised of two cases which the SEC
14 was going to cite. I have taken the liberty of submitting
15 to this Court a responsive paper this afternoon,
16 anticipating what I would be receiving thereafter.

17 The only thing I would like to say preliminarily
18 about the two cases they cite is that they are even more
19 distinguished on the facts than the one I distinguished
20 last week. Both of these are antitrust cases. In one of
21 them the antitrust decree had been dormant for some
22 fifteen years. An intervening nonparty sought leave to
23 move to punish for contempt by intervening in that action,
24 and the Court took the position that to permit the opening
25 of the decree at that late date by a nonparty was contrary

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2 to public policy.

3 THE COURT: Is that the movie case?

4 MR. GOLOMB: I beg your pardon?

5 THE COURT: The movie case, the movie industry?

6 MR. GOLOMB: One was the ASCAP case, and the
7 other was Westinghouse. Those are the two cases that are
8 cited.

9 The Court further predicated its position on
10 the fact that this would in essence open a tremendous
11 proliferation of possible enforcement proceedings by
12 nonparties, and that nobody would ever sign a consent
13 decree if he knew that he was going to be subjected to
14 contempt motions by competitors seeking a redress of
15 contempt under a decree to which they were not parties.

16 This is characteristic of both of those two
17 cases and utterly absent in our present case, where
18 Javelin was a party.

19 I would only like in passing to point out to
20 your Honor, respectfully, that the consent decree here
21 imposes affirmative burdens on Javelin to police that
22 decree. There are provisions set forth in detail as to
23 what special counsel must do in reporting violations to the
24 board, and then I believe it is Article 4 of the decree
25 that provides mandatorily that the board is charged with

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2 responsibility for seeing to it that the decree is complied
3 with.

4 I think if there is to be a denial of the right
5 to so act, the company is placed in a position where it
6 is only subject to the redress of other actions by the
7 Commission against it under the decree, but it has no
8 right to seek the cloak of the decree, and this is a
9 consent decree in which the company, I respectfully urge,
10 was entitled to know that by adopting the cleansing
11 apparatus by the SEC, as it agreed upon, it would be
12 protected if it performed.

13 In the Washington action, which I mentioned
14 to your Honor last week, brought by the SEC against
15 Javelin, and others, the Commission takes the fascinating
16 position that certain individual defendants who had been
17 out of the administration of Javelin between March and
18 July of 1976 are nevertheless liable as aiders and abettors
19 for certain alleged violations in the form of nonfilings
20 by an interim board which had seized power during those
21 three months. If the Commission can then hold that there
22 is such attributed liability, certainly that is a far
23 cry from the much closer liability here on the part of
24 Javelin which could be raised.

25 The Commission in the papers served upon me --

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2 THE COURT: All this is contingent, isn't it,
3 Mr. Golomb? There is no past liability here. There is
4 no liability on Javelin now. There is no wrong as of this
5 moment, is there?

6 MR. GOLOMB: I believe there is plainly a
7 wrong in that there has been --

8 THE COURT: You said there has been a
9 violation of the decree.

10 MR. GOLOMB: There has been playing into the
11 U. S. -- as a matter of fact, I believe, your Honor, that
12 that would be the proper subject of a lawsuit brought
13 against the perpetrators. I am not in a position to do
14 that, but I think this is a clear violation of 10(b).

15 THE COURT: Is it also of the consent decree,
16 the specific provision?

17 MR. GOLOMB: Yes. Because he specifically
18 consented that he would not send anything into the
19 United States which affected Canadian Javelin. It is just
20 as plain as that in the consent.

21 THE COURT: I adjourned this last week to hear
22 what the SEC has to say. It is such a blatant violation
23 of the decree, I would think it would be fundamentally
24 the duty of the SEC to enforce the decree. And since they
25 are not, I want to know why.

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MR. JENSVOLD: May it please the Court, my name is John Jensvold. I am appearing here today along with Michael Perlis, also of the Commission.

I think it might be appropriate for me to respond to the question that your Honor first raised rather than address myself initially to the question of standing.

Our reason for not enforcing the decree, as Mr. Golomb chooses to phrase it, your Honor, is that we do not by any means concur in his evaluation of the facts that are now before the Court. We do not feel that the facts before the Court demonstrate unequivocally a blatant violation of this Court's injunction. To the contrary, we feel it is our position that the papers now before the Court, and some of which were filed Friday with the Court, I believe, last Friday, demonstrate that no judgment as to Mr. Wismer's conduct can be made without an investigation.

Now, specifically, your Honor, what I am talking about here is that Mr. Wismer is prohibited from sending anything into the United States having to do with Javelin or a subsidiary of Javelin. Nothing else. If he does it in connection with some other company, he is free to do so insofar as this Court's injunction is concerned.

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Mr. Golomb's argument is premised upon the assumption that Bison at the time that this mailing was made was a subsidiary of Canadian Javelin. That is an issue of both law and fact, and on the facts now before the Court and specifically the facts presented in Mr. Wismer's affidavit, which has been filed with this court, there is a serious question not only of law but of fact as to whether Bison was a subsidiary.

We disagree also with the contention that this question is governed solely by Canadian law. We feel that this was an injunction entered by a United States District Court in an action brought under a United States statute, and that when the injunction speaks of subsidiary, it incorporates by reference that term as it is used in the federal securities laws. And that term as it is used in the regulations promulgated under the Securities Exchange Act of 1934 boils down to a question of control. The courts have held that the question of control is a question of fact to be decided under all the circumstances of the case.

In other words, your Honor, the motion of Javelin right now, aside from the standing issue, simply cannot be decided on the papers now before the Court. We cannot in good conscience express any opinion,

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2 because it would be a number of hypothetical opinions --
3 if, if, if, if, if.

4 For that reason we feel that we simply are
5 unable at this time to offer an opinion.

6 I would like to say that, contrary to what Mr.
7 Golomb has at least implied to this Court, it is not our
8 intention whatsoever to ignore this injunction and to
9 not enforce it. That is not true at all. The fact is,
10 since November of last year we have been tied up in
11 litigation with Canadian Javelin in which we amended our
12 complaint in February and in which there are now motions
13 to dismiss, motions for a protective order, motions to
14 compel discovery. It is my understanding Mr. Duff, one of
15 the attorneys for Javelin, has been working full time. I
16 have been working about 90 percent of my time. And that
17 is the reason why we have not yet gotten around to this.

18 It is our intention at the earliest opportunity
19 to make an investigation to determine whether or not this
20 Court's injunction has been violated by anyone. And by
21 anyone, I include Mr. Doyle.

22 I do feel that it is somewhat ironic that
23 Javelin comes in here and complains about Mr. Wismer's
24 conduct and supposedly is going to protect the public
25 interest, when Javelin admittedly is controlled by John

1 wc
2 Doyle, who is a fugitive from both the United States
3 and Canada, and who was instructed in this Court's
4 injunction to appoint an agent for service of process in
5 the United States so that the Commission could serve him
6 with civil or administrative process.

7 In the action pending in the District of
8 Columbia, Mr. Doyle and all of the individual defendants
9 contend that there is no personal jurisdiction over these
10 individual defendants, because no agent in fact had ever
11 been appointed.

12 So Mr. Doyle, although he undoubtedly in-
13 directly has caused the company to bring this matter on
14 before this Court, does not even admit jurisdiction of
15 this Court over him personally.

16 Your Honor, what we are attempting to do here
17 is to order our priorities. We have this action pending
18 in the District of Columbia. It involves what appears to
19 be, and we allege it, a \$7 million fraud. I am not
20 belittling this Court's injunction in any way. If we
21 had hard-and-fast evidence that would meet the standards
22 imposed by the Federal Rules of Criminal Procedure, we
23 would be here on a criminal contempt, and we would be here
24 very quickly.

25 But that is not the case. There is a substantial

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1 amount of discovery. And, incidentally, with respect
2 to discovery we served them with a request for production
3 of documents, and we received a response: a blanket no,
4 you cannot look at our books and records, you cannot
5 look at the report of the Select Committee of the board
6 which looked into the transactions that you talk about.
7 You can't have anything. And they moved the Court for a
8 protective order. That motion is now pending before
9 Judge Robinson in the District of Columbia.

11 On the other hand, they walk into this court
12 and criticize the Commission, and by implication allege
13 that we are engaging in some sort of personal vendetta
14 and that we are ignoring the mandate of this Court.
15 That simply is not the case, your Honor. And as a matter
16 of fact, their quarrel with Mr. Wismer has been litigated
17 twice in the courts of Canada and they have lost both
18 times. They now have a third lawsuit pending against Mr.
19 Wismer, and that matter is under consideration by the
20 Canadian courts.

21 So for that reason, your Honor, we cannot
22 in good conscience express an opinion on Wismer's conduct.

23 THE COURT: What is your position with respect
24 to the pending application here?

25 MR. JENSEN: With respect to the pending

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2 application, your Honor, it is our view of the law, based
3 upon our research, that on the facts of this case Javelin
4 does not have standing to institute civil contempt pro-
5 ceedings against Mr. Wismer.

6 Mr. Golomb has attempted to distinguish the
7 cases upon which we rely by pointing out that in none
8 of those cases was the moving party a party to the
9 action.

10 Your Honor, in our opinion that is a distinction
11 without a difference. In our view, what the courts are
12 referring to is that the moving party was not a party to
13 the action which had obtained the underlying injunction.

14 The injunction in this case was entered in
15 favor of the Securities and Exchange Commission in the
16 public interest. It was entered against Javelin, against
17 Doyle, and more or less against Mr. Wismer. He stipulated
18 to be bound by it. It was not entered in behalf of or for
19 the benefit of Canadian Javelin.

20 Had Canadian Javelin been a party plaintiff,
21 and if they had obtained the injunction -- and there are
22 cases in which a private party brings on an action for
23 criminal contempt seeking -- civil contempt, I beg your
24 pardon -- seeking an award of money damages and counsel
25 fees, in an action where they had obtained the underlying

1
2 injunction. It is interesting that Mr. Golomb at no
3 time has cited any authority for the proposition that an
4 enjoined party defendant in an action brought by the
5 United States Government or any of its agencies, whether
6 it be an antitrust case or an SEC case, thereby by virtue
7 of being an enjoined defendant has standing to bring on
8 a contempt action against another enjoined defendant.

9 So, your Honor, we feel that these cases are
10 of crucial importance. It is the only authority that we
11 have found.

12 There is the decision by Judge McLean that was
13 an SEC case. The only difference between that case and
14 this one is that it was a petition to intervene brought by
15 a nonparty. Judge McLean went on to say, after holding
16 that there was no standing, that even if they were a
17 party defendant they still would have no standing, because
18 this is brought by the SEC. It is the SEC alone that has
19 standing.

20 THE COURT: How do you answer --

21 MR. JENSVOLD: Sir?

22 THE COURT: I am sorry, go ahead.

23 MR. JENSVOLD: Your Honor, a closely analogous
24 case, in our opinion, is United States v. ASCAP. That was
25 an antitrust action brought by the U. S. Government, in

1
2 which a consent decree was issued. A nonparty, Metromedia
3 Incorporated, sought to enforce that decree in a contempt
4 action. It is not quite clear from the opinion whether it
5 was civil or criminal contempt, but it does not matter.
6 The law is very clear: criminal contempt, only the Court
7 or the United States may enforce the injunction.

8 The Court in that case, your Honor, states
9 very flatly that in such an action only the Government,
10 the Government is the sole proper party to enforce any such
11 injunction. I believe that appears on page 1108 of the
12 opinion. The Court states: "Likewise, the Government is
13 the sole proper party to seek enforcement of Government
14 antitrust decrees."

15 They go on in a quote that we have set forth
16 in our memorandum -- your Honor obviously did not have a
17 chance to review it; we just brought it in here a few
18 moments ago -- but the Court points out that: "When the
19 Government brings an action, it seeks to vindicate the
20 public interest and, in so doing, requires continuing
21 control over the suit to determine, for instance, when
22 modification of the decree might be a preferable alternative
23 to attempting to enforce it through one or more contempt
24 proceedings. Thus, the fact that the Court retains
25 jurisdiction does not mean that persons affected by the

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1 judgment can invoke the Court's jurisdiction to alter
2 or enforce the terms of the decree."
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4 Elsewhere in the opinion they say: "It is not
5 enough to say that Metromedia was indirectly or
6 economically benefited by the decree."

7 In any injunction I think that this Court
8 enters, in an action brought by an agency to protect
9 public interest, there are going to be literally thousands
10 of beneficiaries of that judgment, whether or not they are
11 parties. I can see no meaningful distinction between a
12 party defendant, an enjoined party defendant, and a non-
13 party insofar as the right to bring on this --

14 THE COURT: What about Mr. Golomb's point that
15 it may find itself vicariously violating the decree if
16 Wismer goes and does this in violation of the decree
17 and it does nothing affirmatively to stop him?

18 MR. JENSVOLD: Your Honor, this points out, I
19 think, the internal nature of this dispute. What it boils
20 down to is a dispute between Javelin and between Mr.
21 Wismer, in which they have instituted litigation and in
22 which they can in the United States or wherever they can
23 get jurisdiction over Mr. Wismer -- and I believe Mr.
24 Wismer is in court today -- they can maintain an action for
25 damages, they can maintain a separate action for injunctive

1 relief, specifically framed to cover the situation.

2 It might be a different story if this Court
3 refused to entertain this action and they had no remedy
4 at all. That is not the case. They have a host of remedies
5 here and in Canada, and I believe some of the cases that
6 we have cited point this out: that these parties must
7 resort to private actions.
8

9 As I say, that is our reading of the law.

10 THE COURT: Thank you. You have been very
11 helpful.

12 MR. JENSVOLD: Thank you, sir.

13 MR. LILLIE: May it please your Honor, my name
14 is Michael Lillie, from Shearman & Sterling. We are
15 counsel for the respondents in this matter.

16 In light of Mr. JensVold's presentation to your
17 Honor on the issue of standing, unless your Honor thinks
18 otherwise, I will not repeat what Mr. Jensvold has told
19 your Honor. I firmly believe that this proceeding is
20 being brought on for private purposes of Canadian Javelin
21 not connected with the consent but rather connected with
22 the litigation that has been going on in the Canadian
23 courts.

24 As has been pointed out in our papers, following
25 the issuance of shares by Bison Petroleum to Dominion

1 Jubilee, Canadian Javelin commenced two proceedings seeking
2 to void that issuance of sales and to return control of
3 Bison to Javelin. Both of those proceedings were denied,
4 and they are now in the midst of a third proceeding.
5

6 I feel very strongly, for the reasons suggested
7 in our papers and for those put forth by Mr. Jenvwold,
8 that Javelin has no standing.

9 However, your Honor, I think, for the sake
10 of aiding everybody as well as the Court in terms of
11 taking as little time of this Court as possible, that there
12 are other issues which can be decided besides that. If
13 your Honor should dismiss the case for lack of standing,
14 without reaching the papers that have been submitted
15 by Javelin and by the respondents, there is a good
16 possibility that this matter might end up back in this
17 court and take up everybody's time again, including your
18 Honor's.

19 For that purpose I would like to address myself
20 to the question of whether or not Javelin has shown any
21 contempt here.

22 As your Honor has stated last week, the standard
23 of showing a civil contempt is a very high one. Far
24 from meeting that standard, I submit to your Honor that
25 Javelin has shown no facts to show a contempt. Rather, the

1 facts that have been submitted to this Court show beyond
2 an issue of fact that there is no contempt of your Honor's
3 1974 judgment or Mr. Wismer's stipulation at the same time.
4 The only evidence that is before your Honor on the question
5 of whether or not Bison was a Javelin sub has been put in
6 by the respondents. That evidence which really is a
7 question of Canada law and, as your Honor well knows, is
8 a question of fact in this court, is overwhelming and
9 undisputed.
10

11 In all fairness, there is one point that Mr.
12 Golomb raised in his reply affidavit: If you recall, in
13 our initial papers, your Honor, we attempted to show that
14 at the time on February 22, when the letter was sent out,
15 Bison was not a Javelin sub. Mr. Golomb in his reply
16 affidavit tried to raise the question of whether on
17 February 28, when a letter was sent out by Bison relating
18 to the delivery of stock certificates, whether that raised
19 the question as to whether Bison was not a sub until that
20 day.

21 As we stated in our papers put in today, your
22 Honor, an affidavit by Mr. Wainberg, who is one of the
23 foremost Canadian corporate authorities, that that question
24 of the delivery of the certificates is totally irrelevant
25 to the question of whether Bison a week earlier was a

1 subsidiary of Javelin. We submit that the only facts
2 before your Honor show that there was no violation of
3 the judgment or the stipulation, and that accordingly,
4 as a matter of fact, the motion should be denied, as well
5 as on the grounds of standing.
6

7 THE COURT: In effect you are saying that his
8 allegations are insufficient. Is that what you are
9 saying?

10 MR. LILLIE: Exactly, your Honor.

11 THE COURT: All right.

12 MR. GOLOMB: May I be heard, your Honor?

13 THE COURT: Briefly. I can only give you 5 minutes.

14 MR. GOLOMB: I won't need five minutes, your
15 Honor.

16 It has been stated by both of my colleagues that
17 this is not a situation in which the facts are clear.
18 Well, your Honor, they are documentarily clear. If the
19 papers sent by Wismer on the 22nd of February did not
20 disclose that Bison was no longer a subsidiary, then those
21 papers were a flagrant lie to the American shareholders
22 of Bison, who were being told it is a subsidiary, because
23 that is black and white. And if they then did not send
24 in a proxy because on the face of it it appeared that
25 Javelin owned 62 percent of Bison, what is the good of

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19

1
2 sending in a proxy? This is exactly the kind of thing
3 which would mislead the shareholder in acting. There was
4 a positive duty to disclose, and that is a documentary
5 demonstration, which is not a question of fact.

6 I frankly don't understand Mr. Jensvold's ques-
7 tion of fact problem, because there is nothing to look
8 into here. And nobody has denied any essential facts.

9 As to whether or not there was a subsidiary
10 question or not, it is again not strictly relevant,
11 because the consent by Wismer and the decree both state
12 that nothing shall be sent into the U. S. by any of the
13 subject persons relating to Javelin. If Bison were not
14 even mentioned, your Honor, if it were not a subsidiary,
15 if it were not an affiliate, the statements made by (see below)
16 Javelin are themselves subject of this decree and are a
17 violation.

18 If the SEC is too busy, I can understand that.
19 That was not their position last week, nor was it Mr.
20 Jensvold's position to me on the phone last week, that the
21 Commission cannot take a position on this matter.

22 If, as he states today, this is a private matter
23 between Wismer and the present group in Javelin, that has
24 never yet been a reason for the SEC not to take a position.

25 I respectfully submit that what has happened

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1 here is not that the SEC is too busy and not that it
2 does not want to take a position because it is private,
3 because this is not private; the real question is, it is
4 an embarrassing situation for the Commission, because it
5 has not acted and probably did not expect that Javelin
6 would act.
7

8 THE COURT: Is the Commission's assertion that
9 the controlling party here, Doyle, is a fugitive? Correct?
10 Is it correct?

11 MR. GOLOMB: He is a fugitive and there is no
12 doubt about it, and that has been asserted in Javelin
13 papers for years. But he is not responsible for this
14 motion, your Honor.

15 THE COURT: Is it also correct that he would not
16 submit to the jurisdiction here?

17 MR. GOLOMB: That is exactly correct -- not
18 here; the jurisdiction of the other action. It is a
19 situation to which I am not privy. I don't represent him.
20 And I make no apologia for him.

21 THE COURT: Do you think it lies in his mouth
22 to come in here and say somebody violated this decree?

23 MR. GOLOMB: He is not here today, your Honor.

24 THE COURT: He is in another guise.

25 MR. GOLOMB: He was served with these papers.

1 He is taking no position, like the SEC.

2 THE COURT: All right.

3 MR. LILLIE: Your Honor, excuse me?

4 THE COURT: No, I have heard enough. I deny
5 the motion.
6

7 You have no standing. I see no need to get
8 into further questions at this time.

9 - - -

NOTICE OF ENTRY

Sir : PLEASE TAKE NOTICE that the within is a true-certified-copy of a

duly entered in the office of the clerk of

on 19

Dated: 19

Yours, etc.,

DIAMOND & GOLOMB, P. C.

Attorney for

Office and Post Office Address

99 PARK AVENUE

Borough of New York City

To

Attorney for

NOTICE OF SETTLEMENT

Sir : PLEASE TAKE NOTICE that

of which the within is a true copy will be presented for settlement to Mr. Justice

one of the Justices of the within named Court

on the day of 19

at M.

Dated: 19

Yours, etc.

DIAMOND & GOLOMB, P. C.

Attorney for

Office and Post Office Address

99 PARK AVENUE

Borough of New York City

To

Attorney for

Index No. 73 Civ 5074 19

LFM

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF N.Y.

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

-against-

CANADIAN JAVELIN LIMITED

JOHN C. DOYLE

WILLIAM M. WISMER,

Defendants

ORDER TO SHOW CAUSE, AFFI-
DAVIT & EXHIBITS

DIAMOND & GOLOMB, P. C.
Attorney for Def. Canadian Javelin Limited

Office and Post Office Address

99 PARK AVENUE
Borough of New York City

637-7550

To Esq.

Attorney for

Service of a copy of the within

is hereby admitted.

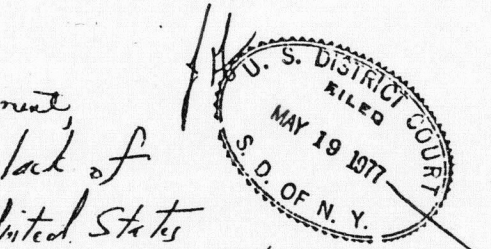
Dated, N. Y. 19

Attorney for

*copy received
H/13/77
attys for
Doyle
Wismar*

*Following oral argument,
Motion denied for lack of
standing. Cf. United States
v. American Society of Composers, Authors
and Publishers, 341 F.2d 1003 (2d Cir 1965).*

So ordered.



Lord & MacMillan

*U.S. D. J.
May 19 1977
NY, NY*

MICROFILM
MAY 20 1977

ENDORSED DECISION

A-181
NOTICE OF APPEAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

CANADIAN JAVELIN LIMITED, JOHN C.
DOYLE, WILLIAM M. WISMER,

73 Civ 5074

Defendants.

NOTICE OF APPEAL

-----X

SIRS:

PLEASE TAKE NOTICE that defendant CANADIAN JAVELIN LIMITED hereby appeals to the United States Circuit Court of Appeals for the Second Circuit from each and every part of the decision of District Judge Lloyd F. MacMahon made May 13, 1977 and entered on the docket May 19, 1977, which denied the motion of said defendant to punish WILLIAM M. WISMER, GEORGE R. BOTHWELL, FRANK C. SHIRRIFF, C. W. WYLIE, HAROLD W. M. SMITH and ANTHONY G. AYRE for contempt, and said defendant appeals from each and every part thereof.

Dated: New York, N.Y., June 6, 1977.

Yours etc.,

DIAMOND & GOLOMB, P.C.
Attorneys for Defendant
CANADIAN JAVELIN LIMITED
99 Park Avenue
New York, N. Y. 10016
(212) 68707550

TO:

MICHAEL F. PERLIS, ESQ.

and

JON D. JENSVOLD, ESQ.

Attorneys for Plaintiff
500 North Capitol Street
Washington, D. C. 20549

SHEARMAN & STERLING, ESQS.

53 Wall Street, N. Y. C.

Attorneys for Respondents William M. Wismer, et al

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss .

Robert Salant, being duly sworn,
deposes and says that deponent is not a party to the action,
is over 18 years of age and resides at 149 Tehama St.

That on the 9 day of AUGUST, 1977,
deponent personally served the within JOINT APPENDIX

upon the attorneys designated below who represent the
indicated parties in this action and at the addresses below
stated which are those that have been designated by said
attorneys for that purpose.

By leaving 1 true copies of same with a duly
authorized person at their designated office.

~~By depositing true copies of same enclosed
in a postpaid properly addressed wrapper, in the post office
or official depository under the exclusive care and custody
of the United States post office department within the State
of New York.~~

Names of attorneys served, together with the names
of the clients represented and the attorneys' designated
addresses.

SHEARMAN & STERLING
Attorneys for Defendant-Respondent-Appellee
53 Wall Street
New York, N. Y. 10005

Sworn to before me this

9th day of August, 1977
Michael DeSantis

MICHAEL DeSANTIS
Notary Public, State of New York
No. 03-0930908
Qualified in Queens County
Commission Expires March 30, 1979

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss .

RICHARD WITHERS, being duly sworn,
deposes and says that deponent is not a party to the action,
is over 18 years of age and resides at 1526 Webster Ave. Apt. B-3
Bronx, NY 10457.

That on the 9 day of AUGUST, 1977,
deponent personally served the within JOINT APPENDIX

upon the attorneys designated below who represent the
indicated parties in this action and at the addresses below
stated which are those that have been designated by said
attorneys for that purpose.

By ~~leaving~~ ~~true copies of same with a duly~~
~~authorized person at their designated office.~~

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in a postpaid properly addressed wrapper, in the post office
or official depository under the exclusive care and custody
of the United States post office department within the State
of New York.

Names of attorneys served, together with the names
of the clients represented and the attorneys' designated
addresses.

MICHAEL F. PERLIS
and
JON D. JENSVOLD
Attorneys for Plaintiff-Appellee
500 North Capitol Street
Washington, D. C. 20549

Richard Withers

Sworn to before me this

9th day of August, 1977
Michael DeSantis

MICHAEL DeSANTIS
Notary Public, State of New York
No. 03-0930908
Qualified in Queens County
Commission Expires March 30, 1979